

**COLLABORATING TO SUCCEED
IN THE NEW ECONOMY**

***FINDINGS OF THE
REGIONAL ECONOMIC DEVELOPMENT SURVEY***

Prepared by:

The California Economic Strategy Panel

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THE CALIFORNIA ECONOMIC STRATEGY PANEL: COLLABORATING TO SUCCEED IN THE NEW ECONOMY

FINDINGS OF THE REGIONAL ECONOMIC DEVELOPMENT SURVEY

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B.	Description of Collaborative Initiatives by Region

I. INTRODUCTION

The impetus for this survey originated at the California Economic Strategy Panel's La Jolla Retreat, held in December 1998. At the retreat, participants began telling stories about how local and regional organizations are embracing the principles and recommendations presented in the Panel's seminal report *Collaborating to Compete in the New Economy: An Economic Strategy for California*. Concepts of a *new economy* which is knowledge-based, networked, global and fast; emerging industry clusters which are region-based; significance of workforce development; and, the need for collaborative models of governance have all become part of the State's economic development lexicon.

As a result of this discussion at the Retreat, participants wanted to understand more specifically and document how these new concepts and approaches are being used. This survey provides a snapshot of the extent to which California's economic development organizations are responding to the Panel's recommendations for regional focus, need for regional collaboration and value of industry cluster analysis in fostering economic vitality. The survey also provides recommendations for the Panel for the next planning cycle from the view of local economic development professionals. Important state-level needs to support regional economic development efforts are identified, as well as ways the Panel can help address those needs. The information on economic development practices, analytic techniques, industrial clusters and requirements for state realignment of resources to meet distinct regional demands establishes a baseline database which the Panel will periodically update.

II. BACKGROUND

Overview

To understand California's "new" economy, the Economic Strategy Panel used a regional "bottom up" process asking CEOs of ten emerging industry clusters where they thought their industry would be in five years and what challenges they faced in reaching their business goals. As part of this process, the Panel used a relatively new method of economic analysis examining "industry clusters." Though only a limited number of industries could be analyzed initially, the results of the analysis showed that wealth creation in California's economy is being driven by diverse industry clusters located in different regions of the State.

These industry clusters do not follow any particular political or geographic boundaries, but instead reflect the interrelationships of industries, their suppliers, markets, and support infrastructure (including physical, financial, institutional and human resources). Cluster and regional "boundaries" include networks of economic relationships supporting a region's export industries and income generators. The "boundaries" may overlap, coincide with, or transcend county, state and national boundaries.

Use of industry cluster methodology has enhanced our understanding about the needs of these key industries. Identifying and assessing the critical components supporting an industry's success has provided those seeking to expand such industries and enhance their competitiveness with more complete information upon which to develop strategies for action. The integrated nature of the cluster-focused approach also shows the interdependencies and synergistic relationships existing among all participants in the economy.

Outreach forums to discuss the results of industry cluster analyses revealed a commonality in concerns among industry leaders. Improved work force training was identified as a critical need statewide. The need to revamp the State's educational system to better prepare students for the demands of the new economy, and the need for access to better economic information were also identified.

The forum process highlighted the efforts of a number of public/private collaborations that had evolved to address issues of mutual concern in their regions. These partnerships encompassed a broader range of interest groups than simply traditional business representatives. The focus of concern was also broader and more integrated into overall community economic vitality. The economic and business communities are recognizing that quality of life, broadly defined, is key to sustaining a vibrant economy. The concept of what economic development means is changing. A more holistic "sustainable development" paradigm is emerging.

As this report will show, new partnerships and collaborative efforts to address community problems involving local industry, business and other community members are being created. Traditional political, organizational, and institutional forms and approaches are out of alignment with the new economy. Fragmented single focus solutions are inadequate for resolving complex, multifaceted problems. Single jurisdiction solutions are inadequate for addressing regional issues such as labor markets, air quality and transportation.

New organizational forms including virtual organizations are evolving and collaborating in order to generate the knowledge and synergy necessary to anticipate and embrace change and help their businesses and communities remain competitive. This new form of organizing through collaboration and networks is now being used to address regional economic issues and broader community development issues and represents a new form of governance. One intent of this scan is to begin to document and track these changes and initiatives.

Methodology

Forty-two economic development practitioners working at the county or regional level throughout the State were interviewed using a questionnaire with closed and open-ended questions. Key contact respondents included directors, presidents or chief executive officers of county or regional economic development organizations (e.g., districts, corporations and, collaboratives), or knowledgeable staff, where appropriate. A cross section of practitioners across the State was selected to provide an illustrative “snap shot” of what was happening, rather than to obtain a complete or numerically balanced number of surveys from each region. (See Attachment A, Addendum, for list of respondents.) Some respondents had worked with the Economic Strategy Panel through the initial planning cycle, and some were newcomers to the Panel or even to the State.

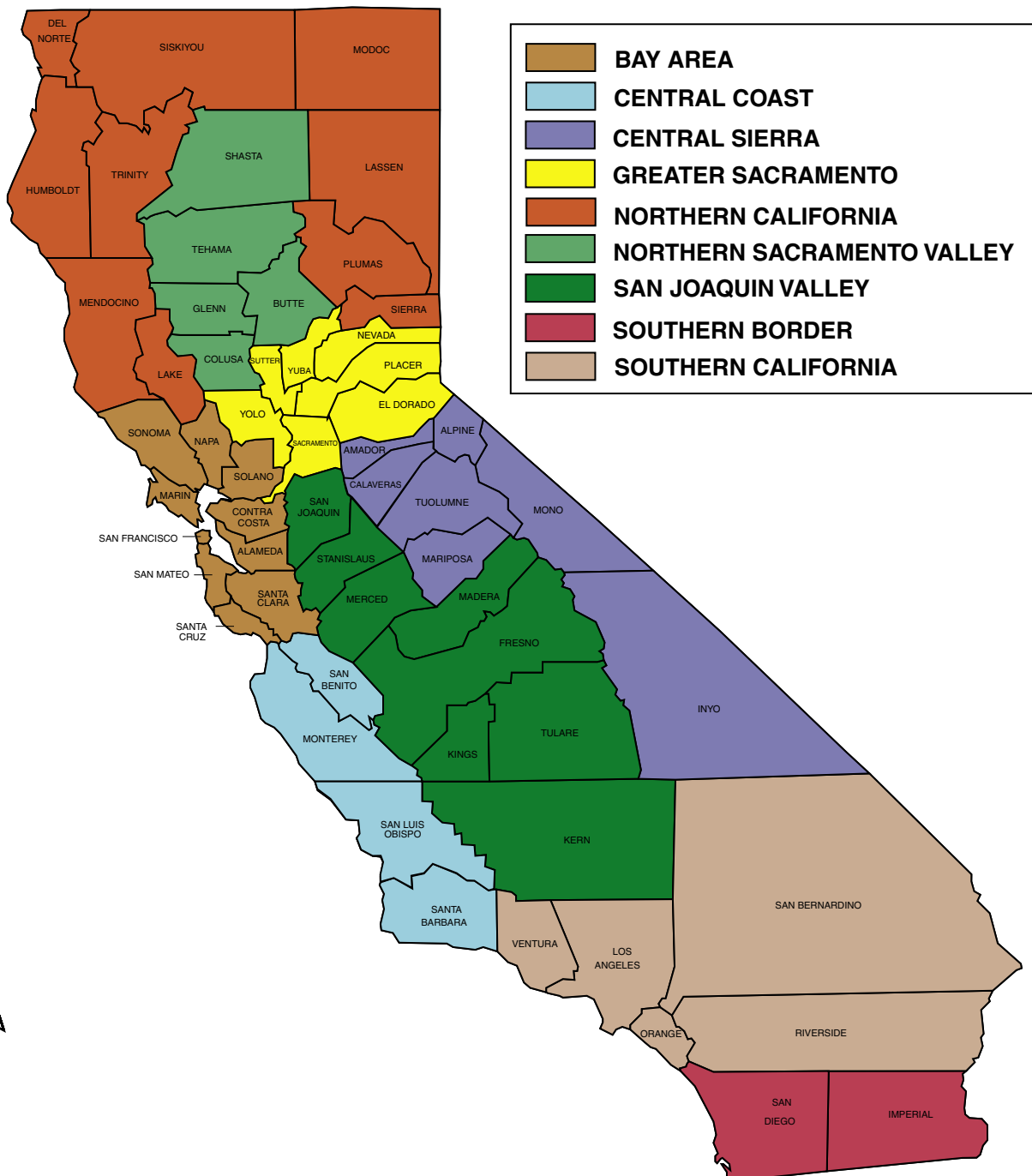
Much of the information in this survey report is grouped by the nine economic regions identified by the California Economic Strategy Panel during its statewide outreach process. (Refined by the Panel in 1998, the regions were expanded to nine from the original six. See following Map 1 of California’s Economic Regions.) However, many of the organizations’ regional boundaries do not encompass the full “region” as defined by the Panel. Therefore, when an activity is reported as occurring within “a region,” it should not be assumed that it applies to the entire region, but instead is occurring within a portion of that region. (See Table 9 which addresses the geographical focus of each of the organizations surveyed.)

Parts of several counties are actually in different regions. For example, the north end of Santa Cruz County is more closely linked with the Bay Area technology-based economy, while the southern end is more linked to the agriculture, tourism-based economy of the Central Coast, although there is not a clear dichotomy either way. El Dorado, Nevada and Placer counties are included in the Greater Sacramento Region because of workforce and economic relationships linked to the growing high tech industry, but are also in large part rural and resource-based as part of the Central Sierra.

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CALIFORNIA ECONOMIC REGIONS

1998



The information presented is not a complete or conclusive listing of all of the projects, initiatives and or studies occurring in various areas of California. The information contained herein is simply a sample of the type and range of such activities as reported to us at a particular point in time. Many shifts and changes in priorities, strategies and initiatives continue to occur, due to the dynamic nature of each region's economy and evolving collaborative efforts.

Of the 42 organizations surveyed, a little more than half (23) are regional collaboratives. Eleven (11) are economic development organizations, five work within a government agency, two are economic development districts, and one is a consultant. Some of the regional collaboratives have evolved from more traditional Economic Development Corporations (EDCs) or business organizations/associations. Other organizations have been specifically created and funded to function as regional collaboratives. Many of the regional collaboratives are relatively new, less than five years old. Those that are older tend to be pursuing more and broader initiatives than more traditional EDCs or business organizations/associations. Table 1 below shows the listing of organizations responding to the scan by region and type of organization.

TABLE 1 TYPOLOGY OF ORGANIZATIONS SURVEYED						
REGION	E.D.C.	Gov. Agency	Reg. Coll.	E. D. Dist.	Consul- tant	# of Surveys
1. Bay Area	2	1	6			9
2. Central Coast	2	1	2			5
3. Central Sierra			1	1		2
4. Greater Sacramento Valley	1		3			4
5. Northern California	1			1		2
6. North Sacramento Valley	1	1				2
7. San Joaquin	3	1	2		1	7
8. Southern Border	1	1	1			3
9. Southern California			8			8
Total	11	5	23	2	1	42

As indicated, the questionnaire functioned as a data gathering instrument for both informational content and as a baseline for the design and content of future surveys. The instrument was developed based on an initial informal survey from key informants, and was refined after the first few interviews were conducted, primarily by more specifically defining the topics and questions.

The questionnaire focused on four main areas consistent with the key themes raised by the Economic Strategy Panel:

- **Region** - In what geographic region does the organization concentrate its economic development efforts? Does it work beyond county boundaries? Did boundaries change?
- **Industry Cluster Analysis Use and Outcomes** - Did the organization use industry cluster analysis methodology in preparing its economic development strategy or initiatives? If yes, did the outcome of the analysis change its operations or strategies? If a cluster analysis was not used, what other analytical techniques were used? Were specific industry targets identified?
- **Regional Collaboration** - Does the organization participate in a regional collaborative effort? If yes, what is the focus of the efforts (e.g., workforce development, visioning process, transportation)?
- **Help from Economic Strategy Panel** - How best could the Economic Strategy Panel help the organization's efforts? What issues/problems should be the Panel's focus in its upcoming biennial cycle? What is the best role for the Panel?

Data collected was tabulated where possible; remaining information was grouped regionally by general themes or topics. Analysis was thematic as well as numeric, due in part to the open-ended nature of questions, but, also due to the overlapping of issues and the desire to elicit more qualitative and in-depth responses. (A copy of the questionnaire

can be found on the California Trade and Commerce Agency website at:
(www.commerce.ca.gov/neweconomy).

III. REGIONAL ECONOMIC DEVELOPMENT FINDINGS

Summary

This section of the report presents the major findings of the survey of regional economic development professionals. The findings cover the following topics:

- Policy Areas Identified for State Economic Development Assistance
- Potential Role of the California Economic Strategy Panel
- Regional Initiative Themes
- Industry Clusters
- Target Industries
- Additional Findings

The most important findings from the survey are not the specific number of new industry cluster studies that have been conducted, or how many initiatives have shifted to a regional focus, or how many entities are working collaboratively. These outcomes are important. However, the most meaningful finding is how these activities reflect a shift in thinking and implementing new strategic approaches to address regional issues.

The Panel has recognized and others have widely documented the shift to a global, information based economy. What has been observed throughout the Panel's outreach process and again confirmed through this informational scan is that a systems change is underway in how people conceive of and perceive economic development. To stay competitive in this "global" *information* economy, better economic *information* is needed. The fast pace of change and global competition make timely, accurate information critical. The industry cluster analytical process, regional outlook and regional collaboration are tools assisting in this *knowledge gain* process. One role of the State, as highlighted by those surveyed, is to be a provider and facilitator of access to

timely, useful economic data. It is also to address policy, infrastructure, fiscal, and regulatory issues that cut across all State regions. These needs will be discussed more fully later in this section of the report.

Another meaningful outcome of the survey is documentation of the community building process that is underway across the State. Regional collaboratives and increasingly economic development activities are becoming involved in broader community development issues. Access to industry cluster analysis has shifted priorities and created new strategies for action. The collaborative process involves a greater variety of community representatives – people who are coming together to understand better what “drives” the economic competitiveness of their community and how they can enhance and build upon their region’s assets.

It is the initiative of these “civic entrepreneurs” that is the catalyst for positive change and the momentum towards new community visions and community prosperity. The variety of perspectives, information shared, and knowledge gained through the collaboration process has assisted in the development of more effective action plans. This process is about understanding the broader and integrated relationship between different community components -- residents, businesses, employers, employees, educators, government and other civic partners. It is also about the awareness of the value and resources that each bring to solving shared problems.

This collaborative process involved:

- Thinking beyond traditional boundaries (or outside the box) - geographic, public/private sector, and industry specific;
- Community interaction;
- Community initiative; and,
- Increasing understanding and knowledge regarding the complexity and interrelated nature of the social, environmental, and economic issues to be addressed.

This scan highlights the implementing initiatives of the organizations surveyed. It also documents a paradigm shift in perceptions and thinking about what economic development means and what it takes to be effective. The range of issues addressed in the initiatives sponsored by the surveyed organizations, and the assistance they would like most from the Economic Strategy Panel and state government, reflect this shift. What started as a process to build an effective economic strategy and generate wealth and jobs has evolved into a more inclusive strategy for creating shared prosperity and enhanced quality of life.

The Panel's work provides a structure upon which to build such a strategy, based on what the regional representatives consider to be most important for the State's long term economic health and prosperity.

Policy Area Needs Identified for State Economic Development Assistance

During the first cycle of the Panel's strategic planning process, the regional industry cluster forums were organized so that cluster leaders could identify issues critical to the clusters' future economic competitiveness. These issues were grouped into a set of policy areas, across industry clusters, that could be addressed or facilitated by the Panel, appropriate State agencies or the Legislature. For example, this process led to the identification of workforce preparedness as one of the key competitiveness issues, in turn leading to a series of state-level policy and program changes to respond to this need.

The survey repeated the process of soliciting areas of policy change or initiative, except that the question was more generally posed for the region instead of specific industry clusters. Respondents were asked how the work of the Panel could help them in the coming year. Responses were grouped into a set of policy areas similar to those identified during the first cycle. Currently, the economic data section has emerged as a

major area of need, and the “quality of life” issues have been expanded to include a more integrated approach to economic development. This means incorporating explicit linkages between economic, environmental and social health and wealth of the community.

Table 2 presents a summary of the responses by region, and Table 3 contains a more detailed listing of the key areas of need. The responses demonstrate the evolution of need and thinking since the first planning cycle, and represent policy areas which the Panel could either directly facilitate or raise as a policy issue to be addressed by the Governor, Legislature, or State agencies and departments.

TABLE 2 SUMMARY OF POLICY AREA NEEDS IDENTIFIED FOR STATE ECONOMIC DEVELOPMENT ASSISTANCE							
REGION	Workforce Education/ Training	Regulatory Assistance	E. D. Incentives	Econ. Data	Infra- structure	Quality of Life	Other
Bay Area	X	X		X	X		X
Central Coast	X	X		X	X	X	X
Central Sierra		X				X	X
Greater Sacramento	X	X		X	X	X	X
Northern California				X			X
Northern Sacramento Valley		X					X
San Joaquin	X	X	X	X	X	X	X
Southern Border	X			X	X	X	X
Southern California	X	X		X	X	X	

TABLE 3
POLICY AREA NEEDS IDENTIFIED FOR
STATE ECONOMIC DEVELOPMENT ASSISTANCE

REGION	WORKFORCE EDUCATION/ TRAINING	REGULATORY ASSISTANCE	ECONOMIC DEVELOPMENT INCENTIVES	ECONOMIC DATA	INFRASTRUCTURE	QUALITY OF LIFE	OTHER
BAY AREA	<ul style="list-style-type: none"> Funding for workforce improvement for High-tech & hospitality sectors Workforce development overall Align education system with business needs 	<ul style="list-style-type: none"> Address HCD/CDBG-ED/ Housing element link 		<ul style="list-style-type: none"> Construction cluster analysis Funding for additional cluster studies Overall economic data 	<ul style="list-style-type: none"> Transportation: Hwy 580/680 corridor: to help solve problems with access to jobs 		<ul style="list-style-type: none"> Stable funding - JCIF not enough Incubator seed money for start-ups Incentives for regional collaboration, as collaboratives Funding for successful initiatives/ models of collaboration
CENTRAL COAST	<ul style="list-style-type: none"> Workforce Training 	<ul style="list-style-type: none"> Assistance with environmental regulations so locals can assist businesses 		<ul style="list-style-type: none"> Funding for research on aerospace and satellite communications industries Good data/ economic analysis/profiles 	<ul style="list-style-type: none"> Access to capital 	<ul style="list-style-type: none"> Land use issues and how to blend with quality of life 	<ul style="list-style-type: none"> Funding to implement specific initiatives Access to capital for start-ups Review funding process for local government
CENTRAL SIERRA		<ul style="list-style-type: none"> Focus on Small Business support Nurture Emerging Firms 				<ul style="list-style-type: none"> Focus on integrated approach as key to community prosperity 	<ul style="list-style-type: none"> Organizational funding Equity in government program accessibility

TABLE 3
POLICY AREA NEEDS IDENTIFIED FOR
STATE ECONOMIC DEVELOPMENT ASSISTANCE

REGION	WORKFORCE EDUCATION/ TRAINING	REGULATORY ASSISTANCE	ECONOMIC DEVELOPMENT INCENTIVES	ECONOMIC DATA	INFRASTRUCTURE	QUALITY OF LIFE	OTHER
GREATER SACRAMENTO	<ul style="list-style-type: none"> • Realign resources for regional workforce development system (e.g., no silo funding) 	<ul style="list-style-type: none"> • Assess costs of doing business in California (taxes, workers comp., environmental regulation compliance)/Hold regional forums 		<ul style="list-style-type: none"> • Provide quantifiable results • Provide good data not currently available (Trade and Commerce Agency) 	<ul style="list-style-type: none"> • Overall investment and improvement, especially school bonds, transportation, & flood control • Address land use issues • Address revitalization of existing commercial areas 	<ul style="list-style-type: none"> • Address land use issues • Hold forums/engage dialog to link low income residents to the region - Address income disparity issues 	<ul style="list-style-type: none"> • Support regional economic development • Engage civic entrepreneurs at regional level • Invest in meritorious regional collaboratives
NORTHERN CALIFORNIA				<ul style="list-style-type: none"> • Funding for rural economic planning & staff capacity • Define differences between rural & urban economies 			<ul style="list-style-type: none"> • Develop rural policies & incentives (distinguish from urban) • Link urban clusters to rural areas • Look at industry sub-clusters
NORTHERN SACRAMENTO VALLEY		<ul style="list-style-type: none"> • General review of barriers to job creation, including problems with CEQA process 					<ul style="list-style-type: none"> • Funding for implementation

TABLE 3
POLICY AREA NEEDS IDENTIFIED FOR
STATE ECONOMIC DEVELOPMENT ASSISTANCE

REGION	WORKFORCE EDUCATION/ TRAINING	REGULATORY ASSISTANCE	ECONOMIC DEVELOPMENT INCENTIVES	ECONOMIC DATA	INFRASTRUCTURE	QUALITY OF LIFE	OTHER
SAN JOAQUIN VALLEY	<ul style="list-style-type: none"> • Education Improvement • Funding 	<ul style="list-style-type: none"> • Air Quality Compliance • Match regulations with 21st Century Industry characteristics, e.g., aseptic packaging 	<ul style="list-style-type: none"> • For attraction of high tech & manufacturing, e.g., lower tax structure, hiring/employee benefits • ID other types 	<ul style="list-style-type: none"> • Better economic base information, data on growth industries & needs, including non-ag • Have specific industry cluster staff expertise at Trade & Commerce 	<ul style="list-style-type: none"> • Overall needs 	<ul style="list-style-type: none"> • Help communities build the right foundations 	<ul style="list-style-type: none"> • Help connect regions • Focus on growing clusters
SOUTHERN BORDER	<ul style="list-style-type: none"> • Training for skilled workers • Reform ETP/EDD 			<ul style="list-style-type: none"> • Cluster Studies: -Air & Defense White Paper • Statewide Clusters: Hi-tech, including environmental (ID needs) 	<ul style="list-style-type: none"> • Upgrade physical • Upgrade informational 	<ul style="list-style-type: none"> • Traffic Congestion • Housing Affordability 	<ul style="list-style-type: none"> • Assistance on how to increase cooperation with Mexico
SOUTHERN CALIFORNIA	<ul style="list-style-type: none"> • Funding flexibility for training by community colleges • Educational improvement • Review ETP and JTPA for match with industry needs 	<ul style="list-style-type: none"> • Assess business climate issues/costs of doing business • Focus on state's competitiveness, i.e., taxes, housing 		<ul style="list-style-type: none"> • Additional industry cluster studies, other hi-tech sectors • Subregional analysis of Orange County • Assist regions in facilitating data exchange • Improve access to EDD data for research & policy • Disseminate information on what's been done 	<ul style="list-style-type: none"> • Address local government financing/ revenues available for infrastructure investments, including telecommunications 	<ul style="list-style-type: none"> • Address local government financing/ revenues available for quality of life investments 	

Workforce Education/Training

Consistent with the first planning cycle, workforce preparedness continues to be a high priority for almost all regions. Despite concerted policy and program efforts during the past few years by state government agencies and education systems, a major realignment of resources, service delivery and administration is required. Areas of need include:

- Improve the education system overall
- Align the education system with business needs
- Realign resources to support regional workforce development systems (e.g., remove categorical program restrictions and silo funding)
- Provide training for skilled workers
- Match Employment Development Department (i.e., JTPA) and Employment Training Panel resources with industry needs
- Increase funding for workforce improvement, especially in targeted industry sectors

Regulatory Relief/Assistance

Several regions cited the need for assistance with regulatory compliance, or in reducing barriers in such areas as nurturing small businesses and start-ups. Several regions also desired that the Panel assess California's business climate and competitiveness on an ongoing basis, and identify particular problem areas for resolution, including regulatory relief. The types of support desired include:

- Assistance with the California Environmental Quality Act (CEQA) and other environmental compliance, and reducing barriers with the process
- Assessing the costs of doing business in California and identifying specific barriers
- Updating regulations to match current industry standards and characteristics

Assistance with environmental compliance would enable regional professionals and collaboratives to provide better technical assistance to businesses and industries in their regions and communities. Respondents also noted that many regulations are “designed for a 19th or 20th Century economy, which do not match our needs for a 21st century economy.”

Economic Development Incentives

Only one region, the San Joaquin Valley, mentioned assistance in this area as a need. Several of the practitioners would like to see targeted incentives for the attraction of high-tech and other manufacturing, reflecting the need to diversify the regional economy and create better paying jobs. This region has high levels of unemployment and working poor, and population growth is pushing the need for accelerated job creation. Respondents would also like the Panel to identify effective economic development incentives.

Economic Data

More, better, and focused economic data is a high priority need for respondents in seven of the nine regions. Timely and accurate economic information, as well as better information about existing and emerging industry clusters **and their needs**, is important for development of effective economic strategies and initiatives at both the state and regional /local levels.

Some respondents would like the State to develop this economic information, since it is often very expensive and labor/technology intensive to acquire data bases, resolve data anomalies, and customize relevant information products so they are useful and can be applied locally. It is also an appropriate state role to "be the repository" for economic data, and to develop an enhanced capacity in the Trade and Commerce Agency, in particular, to be the "experts" on California's key economic sectors. This economic

information would be valuable for other state agencies and the Legislature to use in crafting appropriate policies to facilitate growth and competitiveness of the State's leading industry sectors.

Respondents want to see the Trade and Commerce Agency become more proactive with this economic information. Currently, much of the Agency's economic research is internally focused, and the Agency is not geared to being a "service provider" of information to the regions. Regions would like the Agency to play a more active role in assisting them with economic information needs. This could be a mutually beneficial role because professionals in the field can identify emerging trends regionally and the State can mesh them with national and international "market intelligence."

Another need is for the Economic Strategy Panel to identify critical data needs and facilitate the response of appropriate state agencies, such as the Labor Market Information Division (LMID) of EDD. While LMID has worked closely with the Panel over the past four years and continues to develop information products for workforce and economic development professionals, it is still very difficult to obtain Employment Security 202 data, one of the best data sources for economic base and other types of economic analysis.

The Economic Strategy Panel has a capacity building role to play in terms of economic information. When the Panel issued its report in 1996, it determined that it was vital to continue the process of tracking and analyzing industry clusters throughout the State due to the dynamic nature of the economy. It was left open as to how the tracking process would unfold - whether the Panel would go back and perform additional cluster studies in the regions, undertake statewide cluster studies in areas such as tourism, or go to regions or sub-regions not previously studied. (The latter included the Central Valley, where an agriculture industry cluster analysis was performed in 1998.)

Many respondents directly requested that the Panel perform specific industry cluster analyses in their regions. Several other respondents want to be trained in the

methodology for performing industry cluster studies. Some regions already have the capacity to do cluster analyses, but require funding to perform additional research and analyses. They want to build on the knowledge gained from prior industry analyses, including those conducted during the first round of the Panel's planning cycle. (See section on Industry Clusters, page 28, for a further discussion.) These studies could then be integrated to build a statewide picture of the regional (and cross-regional) industry clusters. It is important that a consistent methodology be used to develop a common basis for understanding and identifying key cluster needs and implementation strategies, and identifying the unique needs and characteristics of the State's diverse economic regions.

Cluster studies requested for either direct study by the Panel or for funding and technical support to be provided by the Panel for the regions include:

- Construction (North Bay area)
- Aerospace and satellite communications industries (Central Coast)
- Non-agriculture industries (San Joaquin Valley)
- Air and Defense (Southern Border)
- Statewide clusters - high-tech, including environmental, and tourism (Southern Border)
- Other high-tech sectors and subregional analysis of Orange County (Southern California)

In general, the urban areas have more resources than rural areas in staff capacity, technical capacity and fiscal capability for economic research and analyses. Increased capacity building and funding support are particularly important in rural economic regions, especially since industry and business networks are less developed due to geography and economies of scale, and economies are less diversified. Rural practitioners expressed the desire for the Panel to articulate the differences between rural

and urban economies and assist in formulating economic policy which is responsive to these differences.

Another desired role for the Panel is to assist in facilitating the exchange of data between the regions, and disseminating more broadly information on what has been completed in the nine regions and statewide.

Infrastructure

Consistent with the current state level focus on the broad array of unmet infrastructure needs across the regions, respondents in six of the nine regions cited a variety of ways in which the Economic Strategy Panel could assist with infrastructure needs. Some regions mentioned specific problems such as transportation corridors (the Bay Area and Greater Sacramento) and flood control (Greater Sacramento), while others emphasized overall needs.

Many commented on the need for increased funding for investments in new infrastructure and improvements in existing infrastructure. Respondents want the Legislature to address the way that local government is financed, because the current system limits revenues available for capital investments, including new and necessary areas such as telecommunications capacity. Improvements are desired with other areas of "infrastructure," including schools, revitalization of existing commercial areas, land use (where infrastructure is physically placed), and information systems. These areas all relate to "quality of life" in the broad sense of creating "livable communities" - communities that will maintain and attract the kind of businesses and investment that will provide a good standard of living for all Californians.

Quality of Life

The meaning of the expression "quality of life" has changed considerably over this decade. It used to be used, when describing the determinants of site location investment decisions by businesses, as a catch-all phrase for the amenities associated with a particular locale - quality and choice of housing, schools, health care, culture/entertainment/recreation, shopping, and so forth. It usually ranked below specific cost categories such as availability of labor, sites, access to transportation, markets and other economic factors. Quality of life is now seen in a much broader and more integral way as a crucial component for maintaining and attracting quality investment and knowledge-based workers. Respondents want the Panel to help define and articulate what quality of life means for economic development, and to focus on developing an integrated approach - linking environment, economy and social equity - as the key to long-term community prosperity.

A looming issue for many professionals, as the economy has rebounded and several regions are confronting rapid growth and its often negative consequences -- sprawl, traffic congestion, long commutes, loss of worker productivity, higher housing costs, poor air quality, etc. -- is how to reconcile land use issues and blend them with maintaining a region's quality of life and continued economic prosperity. Regions want help in figuring out how to create, and be able to afford, the right community foundations -- high-achieving education and workforce systems, viable downtowns, healthy neighborhoods and affordable housing, good air and water quality, efficient transportation systems, and access to technology -- that create a positive business climate and an opportunity for all businesses and workers to be competitive and prosperous in the new economy.

Of particular concern is how to link low income residents to the regional economy, and to address the income disparity across and within California's regions, especially with the growing "digital divide," where certain population groups are disenfranchised from the opportunities and benefits of the knowledge-based economy.

Other

Respondents have several general and specific comments in this area. Many of the comments related to the need for some type of funding support for economic development at both the State and local levels. Until this planning cycle, there was no General Fund appropriation for the Panel. The Trade and Commerce Agency redirected existing resources to support the Panel's work. For the first time, an appropriation of \$200,000 has been made for fiscal year 1999-2000.

Limited direct funding from the State level is invested in local and regional economic development capacity - the State's economic development infrastructure. Most funding is provided by local government, supplemented by state and federal grants and loans, foundations, business support, and fees for services.

It is often difficult for local government to fund economic development program implementation due to the way local government is funded. The desire for retail sales tax revenues often causes communities to make short-term land use decisions, and economic development programs are usually not the highest funding priority for local governments strapped to fund mandated programs and other community services. Collaboration is very labor and time intensive and not often explicitly funded.

Some opportunities for investing in regional collaboration have been created as a result of welfare reform, the transition to the Workforce Investment Act, and other workforce-related reforms. For the first time ever, in 1998 the State allocated \$5 million for each county to identify job creation strategies for welfare reform (the Job Creation Investment Fund). While a good start, this funding has not been enough to support the complicated and time-consuming process of collaboration, as well as the implementation of new models of economic development and infrastructure investment needed for long term economic prosperity. This is particularly true for rural areas, which often lack the institutional capacity to participate in applicable government programs.

In addition to core stable funding support for **regional** economic development, respondents want to see support in the following areas, which would encourage the adoption and dissemination of innovative economic development practices and programs:

- Funding for successful initiatives/models of collaboration - support the process to keep it moving forward;
- Incentives for regional collaboration, funded as a collaborative entity
- Investment in "meritorious" regional collaboratives; and,
- Development of rural policies and incentives (as distinct from urban).

The fundamental concept is that the State would be **investing** in the processes, initiatives and entities that would enhance regional prosperity through adoption of new economy principles and practices, building regional capacity and contributing to the overall health and wealth of the State.

Other areas where the regions need assistance include:

- Incubator/seed money for start-ups;
- Analysis of industry sub-clusters;
- Linking urban clusters to rural areas;
- Helping connect the regions;
- Broadening regional collaboration and help in making it work better;
- Engaging civic entrepreneurs so as to foster regional collaboratives and their initiatives;
- Focusing on the emerging and growing industry clusters in the Central Valley; and,
- Increasing cooperative efforts with Mexico (Southern Border).

Regions want to learn from each other on how to successfully collaborate. They want the Panel to focus on different types of clusters within their region, and they want the Panel

to help urban and rural areas understand and improve the linkages between the regions for particular industry clusters. The respondents understand the structural issues related to the local government financing process and its effects on the capacities of communities to invest in smart growth for the long term, and they want the Panel to continue to raise this issue as a fundamental need to be addressed. They want help developing viable solutions for local government finance, because cities cannot create wealth-generating infrastructure - the community foundations - with the current structure of financing.

Role of the Economy Strategy Panel

“There is a need to paint a more contemporary picture of what economic development means...It is important to pay attention to all the factors underlining a community’s prospects for healthy development. The more the Economic Strategy Panel reinforces this broader community prosperity approach to economic development, the greater chance it will be heard and used. The Panel can highlight and be a major voice in getting the word out about the need for a new approach...The economic development paradigm has shifted.” (Lucy Blake, Sierra Business Council)

The discussion of policy areas identified as needing attention at the State level in order to promote regional economic prosperity suggests a number of roles that the Panel could play either directly or indirectly to address these needs. With the economy in a constant state of flux, respondents think it immensely important that there be a mechanism in place to “be the finger on the pulse,” constantly monitoring and tracking how the economy is changing, identifying regional and industry cluster needs, advocating for the appropriate policy responses, and connecting regions and resources. They see the Panel as the “voice” for the “new economy.”

Respondents want to see a more visible role for the Panel in the upcoming planning cycle, especially in broadening its outreach to the regions and proactively educating, informing, connecting, and building capacity in the areas of regional approaches, collaborative models, and new thinking about what economic development means. The Panel can play a vital role in helping to figure out how to make the new economy work for California’s

communities, and build the capacity of the State's regions to take advantage of these opportunities. Possible roles for the Panel, as identified by the respondents, are summarized below in Table 4.

TABLE 4 POSSIBLE ROLES FOR THE ECONOMIC STRATEGY PANEL	
ROLE	POSSIBLE ACTIVITIES
New Economy Tracker/ Catalyst/Advocate	<ul style="list-style-type: none"> • Continue to define the “New Economy” - identify 21st century economy and industry changes and requirements • Broaden definition of economic development to include integrated approach - economy, environment, equity - as key to long term prosperity - be a voice for a new approach • Help create a common language for and an understanding of the terms and concepts of the New Economy; assist with regional definitions - helping people move beyond county boundaries • Be an advocate for the regions
Data Analyst/Disseminator	<ul style="list-style-type: none"> • Identify and track emerging industry cluster trends, collaborative models • Identify the clusters with the greatest growth potential and their particular needs • Analyze statewide clusters • Ensure that regional data needs are identified and met • Identify competitiveness issues on an ongoing basis • Disseminate findings at state and regional levels • Increase outreach on the work of the Panel
Facilitator/Capacity Builder	<ul style="list-style-type: none"> • Help facilitate the bridge between the State and regions to address policy needs, and between the State and Federal government to address regulatory or program barriers • Help connect the regions/facilitate cross community information exchange • Help leverage the private sector to support regional collaboratives • Help broaden collaboration and make it work better • Build the capacity of the regions for using economic information, developing and implementing collaborative models, and understanding overall new economy principles
Policy Strategist	<ul style="list-style-type: none"> • Help the State be more strategic in its overall economic strategy • Be proactive in establishing/recommending policies at all levels of government to strengthen regions • Assess state government distribution of resources and help align investments to better serve the regions • Help create policy support to increase investments in regional collaborative initiatives

The following summarizes the most predominant areas respondents cited for **policy focus** by the Economic Strategy Panel:

- Identifying and crystallizing the needs of the regions;
- Promoting and supporting regional collaboration;
- Highlighting the differences between urban and rural economies, the disparity between urban and rural resources, the need for better economic information and connection to urban industry clusters;
- Nurturing emerging small businesses;
- Facilitating resource realignment of State investments;
- Advocating for reform of local government financing;
- Helping regions “figure out” how to deal with growth, land use, and maintaining and enhancing the quality of life;
- Ensuring that minority groups and others are effectively engaged in shaping policies that affect their needs;
- Continuing with the emphasis in workforce development; and,
- Focusing on infrastructure investments.

One of the greatest values of the Panel is the perspective it can provide by being on the cusp of documenting and reporting the changes in the economy, advocating for the appropriate policy responses, and ensuring that the State is helping the regions to address their diverse challenges. Respondents desire strongly that the State fund the Panel operationally, fund the Panel’s recommendations, and support regional collaborative initiatives. Regional collaborative initiatives are effective, and current models are creating good momentum to address broad regional needs, but they are undercapitalized. Investing in these initiatives will improve the State’s overall long term economic health and contribute to increased shared prosperity.

“Economic issues need to be better highlighted at the State level...The Panel should work to make sure that the relevant issues and intersections of issues learned from collaborative efforts receive sufficient attention. We have to continue to underscore the interconnectivity of issues such as education and transportation.” (Bruce Kern, Executive Director, Economic Development Alliance for Business)

Regional Initiative Themes

This section describes the key areas around which collaborative initiatives are being organized and implemented. They are summarized in Table 5 following and include:

- Business Development
- Workforce Training/Education
- Regional Marketing
- Community Enhancement
- Institutional/Government Related

**TABLE 5
SUMMARY OF COLLABORATIVE REGIONAL INITIATIVES**

REGION	BUS./IND. DEV.		WORKFORCE TRAINING/ EDUC.	MRKTG	COMMUNITY ENHANCEMENT/ REVITALIZATION/ QUALITY OF LIFE	INSTITUTIONAL/ GOVT. RELATED
	EXIST	NEW				
Bay Area	X	X	X	X	X	X
Central Coast	X	X	X	X	X	X
Central Sierra		X	X		X	
Greater Sacto.	X	X	X	X	X	
Northern Calif.	X	X	X		X	X
No. Sacto. Valley	X	X	X		X	
San Joaquin Valley	X	X	X	X	X	
Southern Border	X	X	X		X	
So. California	X	X	X	X	X	X

What is interesting in reviewing this summary is that so much of the focus is placed on “non-traditional” economic development activities, especially workforce development and broad quality of life initiatives. This is not to say that practitioners were not engaged in these areas before, but rather that these areas have assumed more direct importance as activities and investments to nurture and attain economic prosperity.

Business Development

Business development activities either in support of existing development, new development or both, are still the primary focus for most of the organizations surveyed. This is to be expected given the mission of most organizations. However, the specific activities being pursued reflect regional differences and needs. In the northern part of the state, micro-enterprises and self-employment opportunities are a focus. Other areas, including the Bay Area, are supporting small-business incubators. Almost all areas are focused on expanding existing industries and supporting new industries by creating industry-specific networks and forums. Overall, there is consistency in the establishment of Business Assistance Centers or programs, with the intention of providing existing or new businesses with technical assistance and training, preparing business plans, acquiring capital, and achieving regulatory compliance. Support for new entrepreneurs is also a focus.

Survey results also reflect that more emphasis is being placed on supporting existing businesses and small business development rather than business attraction. As stated by one respondent, having better economic data and working collaboratively “has shifted our business development initiative from a business attraction focus to a business expansion focus, from 25 percent expansion and 75 percent attraction to 75 percent expansion and 25 percent attraction.” See also section on “Key Focus of Economic Strategy,” and Table 10.

Workforce Training/Education

What the Panel heard during its first two planning cycles was an overwhelming need for a better prepared/educated workforce. This need has coincided with changes in Federal and State governmental policy related to workforce development and welfare reform.

Whether mandated through the Job Creation Investment Fund (JCIF), Welfare to Work Initiatives, the One-Stop Center System required by the new Workforce Investment Act (WIA), or self initiated, organizations that have never worked together before are now jointly developing workforce development systems that match the needs of regional employers.

Every region is working on workforce training and education initiatives. Collaboratives in six regions in the State have received Regional Workforce Preparation Education and Development Act (RWPEDA) grants for development of integrated workforce training and education programs linked to economic development. The specific focus and partners involved in each region's collaborative efforts vary depending on the needs of the business and industry clusters. To quote one respondent, "A life sciences study determined a lack of a specifically trained work level was an impediment for expansion of the life sciences industry. The result was a collaborative effort of life sciences businesses and the Community College district to create new biotechnology curriculum at the Community College." (Mary McCarthy, Solano EDC) This same type of partnership is occurring throughout the State; examples include machinist training programs in Southern California, helping to retain the region's edge nationally, and new animation and multimedia education programs in the Bay Area and Southern California.

Regional Marketing

All of the nine regions have regional marketing campaigns underway in some form, including the Trade and Commerce Agency's TeamCalifornia program and/or additional

marketing efforts. Regions that specifically mentioned collaborative regional marketing efforts include the Central Coast, Bay Area, San Joaquin Valley, and Northern California; they are all participating in marketing their regions as a whole. Organizations in Sonoma and Napa Valley and Alameda and Contra Costa Counties are marketing their sub-regions as well. Sacramento Valley has recently begun a marketing/image definition process. Three sub-regions in Southern California (Gateway Cities, San Gabriel Valley, Riverside/San Bernadino Counties) have marketing initiatives underway. Many of these efforts have a dual purpose. The first is defining a regional image and identity, drawing on the assets and uniqueness of each region. The second is outreach marketing to attract key employees and growth industries to the region.

Community Enhancement/Revitalization/Quality of Life

Many regions are holding community forums and developing community indicator programs. The outcome of these forums range from creation of “community visions” to broad community enhancing initiatives and increased civic participation. Indicator projects help track progress toward achieving the vision. A primary focus is projects related to land use. In the Central Sierra region one organization has generated collaborative efforts to conserve open space and habitat and establish new guidelines for “sustainable development” via an ambitious “Planning for Prosperity” program. Another organization in the San Joaquin Valley has focused on “vehicles to build collaboration and bring people together,” and developed a proposal for a “Landscape of Choice.” Some Southern California projects are focusing on returning aging industrial facilities to productive use. Other innovative projects include Sacramento Valley’s shared work center concept, a new program to improve access to work, reduce employee turnover and create a community technology resource.

The community indicators initiatives are intended for use as “benchmarks” of the status of community prosperity and quality of life. Such indicators include environmental (i.e., air and water quality, transportation capacity and open space conservation), social (i.e.,

demographics, educational achievement, birth and mortality rates, and housing costs) and economic information (i.e., type/number/wages of regional employment and industry profiles). The benchmarks are to identify areas needing improvement and means of measuring improvement gains. Six of the nine regions reported community indicators as a current initiative. However, these projects are at various stages; some are well established, and others are just beginning and are interested in “lessons learned” from others. Finally, several initiatives are focusing on leadership development.

Institutional/Government Related

Many organizations are working with governmental and other regional agencies on long term issues critical to economic competitiveness. One example is relieving transportation congestion and enhancing transportation system capacity. These organizations are bringing private business to the table in developing partnerships for new solutions. Examples include the Bay Area’s Tri-Valley sub-region’s (Livermore, Pleasanton, Dublin and San Ramon) efforts to reduce congestion on the Sunol Grade.

In the south, improving transportation system capacity is essential to allow expansion of the Port of Los Angeles, and the number of increased truck trips such expansion would generate. Others working in the sub-regions of Southern California are seeking state assistance in infrastructure improvements to allow better inter-city transportation not dependent on the freeway system. What we are noting here is that economic development entities and industry representatives are becoming more actively involved in addressing these issues; the collaboratives are facilitating an interface between public and private sectors.

Also conveyed via survey conversations, though not specifically identified as a separate initiative, is the work being done to assist industry compliance with environmental regulations. Often, the business assistance provided is to function as a “trouble shooter” working with industries and governmental regulatory agencies.

Other government-related initiatives involve permit streamlining and reform of state and local government finance. Many of the workforce and education initiatives involve partnerships with governmental and educational institutions. However, these are noted under the “Workforce” heading because of their focus. One exception is a Workforce/Economic Development/Systems Integration initiative in the Northern California Region (Humboldt County area). This initiative is listed under the government heading because of the active participation of the government in this effort to effect a complete systems change.

Attachment B in the Addendum provides a more detailed description of the focus of initiatives by region. Again, these are not a conclusive listing but a sample of the type and range of initiatives undertaken. The “marketing category” is included with the “Business Development” initiatives. Transportation-related initiatives are included in the “Community Enhancement/Quality of Life” initiatives.

Industry Clusters

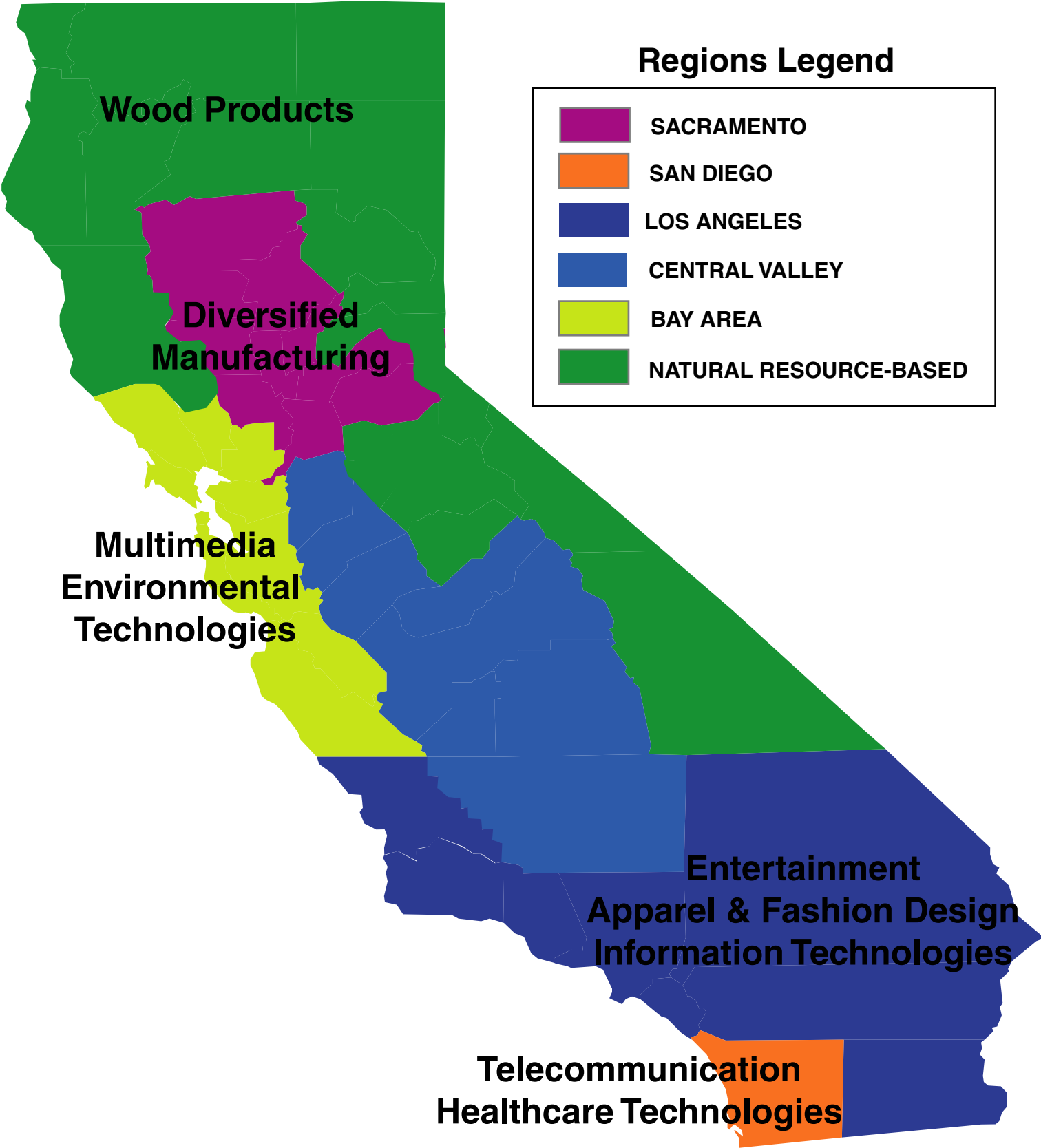
During the Panel’s first planning cycle the following industry cluster studies were completed and forums held with key cluster representatives:

TABLE 6 CALIFORNIA REGIONAL INDUSTRY CLUSTERS EXAMINED BY THE ECONOMIC STRATEGY PANEL DURING THE FIRST PLANNING CYCLE	
ECONOMIC REGION	INDUSTRY CLUSTER
San Diego Region	Telecommunications Healthcare Technologies
Bay Area Region	Multimedia Environmental Technologies
Southern California Region	Entertainment Apparel and Fashion Design Information Technologies
Natural Resources-Based Region	Wood Products
Sacramento Valley Region	Diversified Manufacturing (food processing, medical instruments and electronics)

In 1998, the Panel completed its analysis of sectors of the agricultural cluster in the Central Valley, because this region had not been covered during the first cycle. This cluster forum revealed little understood yet ground breaking advances in pre-production and post-production agriculture using technology advances for “precision farming” and other practices.. For example, precision farming uses computers and satellites to analyze a field’s productivity, soil composition, moisture and nutrient levels. The forum demonstrated the high-value added and high knowledge factor transforming a traditional and core part of the State’s economic base.

Also in 1998, in response to a request from the aerospace industry, primarily a large and geographically dispersed coalition of small suppliers to large aerospace firms, the Panel prepared a status report on the current state of this sector. The report was requested because those close to the industry felt the State was in danger of losing the supplier base and expertise remaining from the aerospace/defense economy, which is critical if the

Economic Strategy Panel
Economic Regions & Cluster Studies
1996



State is to attain a leading edge in several emerging industries, such as satellite communications.

This section describes the work that has been done in the regions, since the original work of the Panel, around the concept of industry cluster analysis and strategy development. It includes a listing and mapping of the industry clusters that were identified in the survey as having had an analysis, either by the regional economic development practitioner or by the consultant who performed the analysis. The purpose of collecting this cluster-based information was two-fold – to document the degree to which the analytical techniques used for cluster analysis had been implemented regionally since 1996, and to inventory the location and type of cluster studies performed.

As the results demonstrate, the industry cluster analysis methodology is being more broadly applied at the regional level. However, at present there is no commonly accepted definition of what constitutes a specific industry cluster, nor a standardized cluster methodology or source of base data. EDD's Labor Market Information Division is currently conducting research on this topic, with the goal of developing a standardized methodology that can be used both at the regional and state levels.

Table 7 presents a summary of industry cluster studies across the regions. Maps 3-10 illustrate what parts of the State (regions or sub-regions) have been covered by some level of industry cluster analysis. The maps show the groupings of each industry cluster by business sectors, as identified by the local respondents. The primary subgroups are organized into the clusters which seem most related based on the Panel's prior experience with clusters, a review of the new North American Industry Classification, and review by the consultants who prepared some of the analyses.

It should be noted that these groupings are evolutionary and will be refined as our understanding of how clusters are structured improves. There are overlaps and cross sub-groupings because they truly reflect the “messy,” synergistic and integrated nature of

TABLE 7
INDUSTRY CLUSTER STUDIES REPORTED BY REGION

INDUSTRY CLUSTER	BAY AREA	CENTRAL COAST	CENTRAL SIERRA	GREATER SACTO.	NO. CALIF.	NO. SACTO VALLEY	SAN JOAQUIN	SO. BORDER	SO. CALIF.
Agriculture Related	X	X	X	X			X	X	X
Air & Space							X	X	X
Apparel/Fashion							X		X
Biotechnology	X			X				X	X
Computers/Electronics/ High Tech.	X	X	X	X			X		X
Education/Research & Development	X	X							X
Entertainment/ Multimedia	X	X						X	X
Environmental Tech/Services	X							X	X
Finance/Insurance/ Real Estate	X						X		X
Health Related	X	X		X					X
Hospitality/Recreation/ Tourism	X	X					X	X	X
Info/Communications Services/Tech.	X	X		X			X	X	X
Manufacturing/Other	X		X	X			X	X	X
Metals/Materials	X						X		X
Resource Based									X
Transportation	X						X	X	X
Wood Related	X		X	X	X		X		X










1996-1999

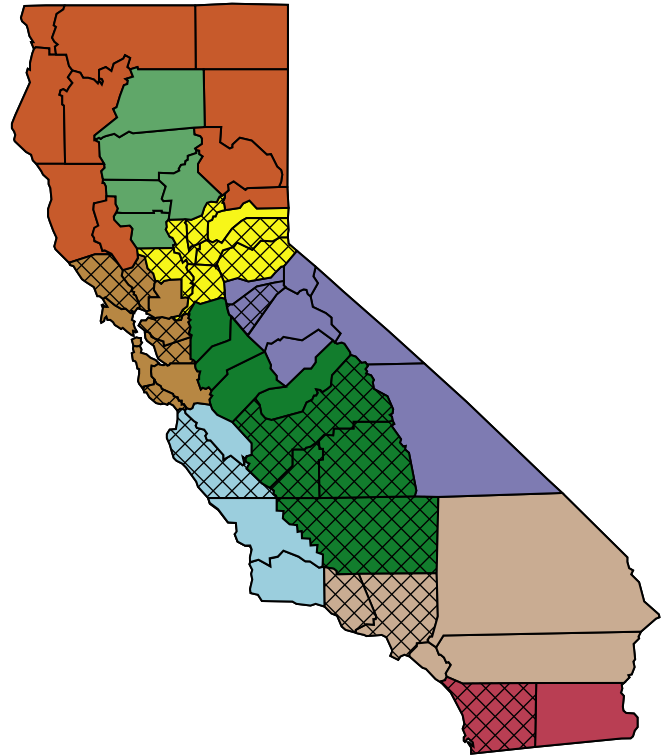
REGIONAL INDUSTRY CLUSTER STUDIES

Agriculture-Related Cluster

- Beverage Production
- Biotechnology
- Cotton
- Food Processing (general)
- Food Processing (viticulture/organic)
- Fruits & Vegetables
- Horticulture
- Infrastructure (agricultural services, etc.)
- Livestock/poultry/dairy

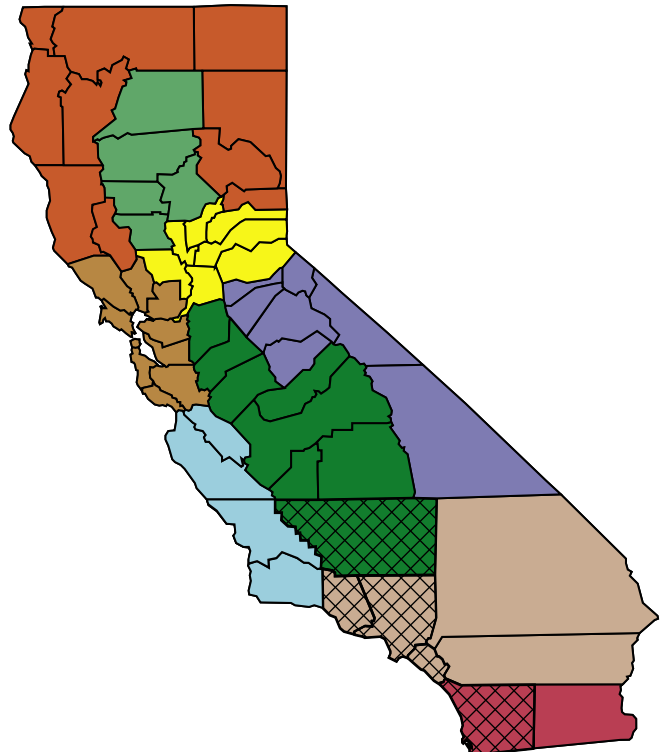
Regions Legend

	BAY AREA
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	GREATER SACRAMENTO
	NORTHERN CALIFORNIA
	NORTHERN SACRAMENTO VALLEY
	SAN JOAQUIN VALLEY
	SOUTHERN BORDER
	SOUTHERN CALIFORNIA



Air & Space Cluster

- Aerospace
- Supplier Base
- Satellite-Based Products & Services
- Commercial Space Launch Vehicles & Services












1996-1999

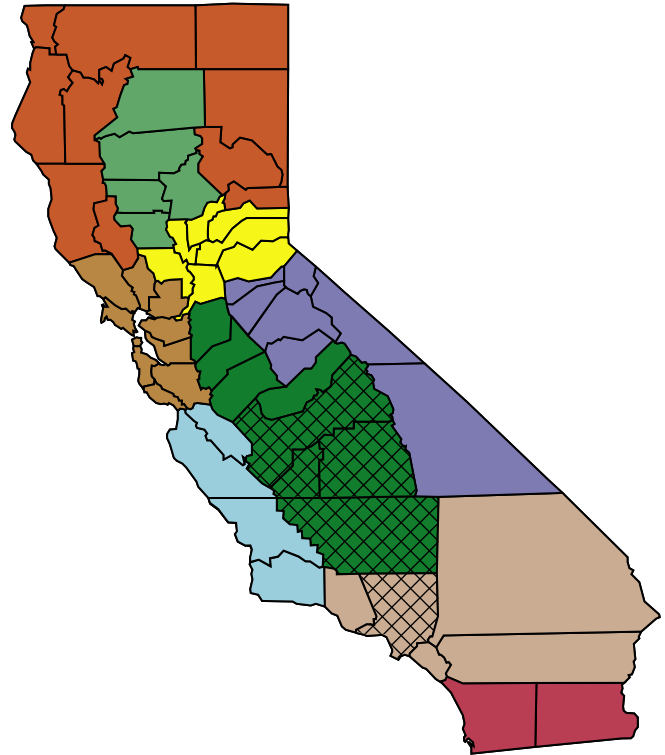
REGIONAL INDUSTRY CLUSTER STUDIES

Apparel & Fashion Design Cluster

- Apparel Manufacturing
- Fashion Design
- Textiles (mills)

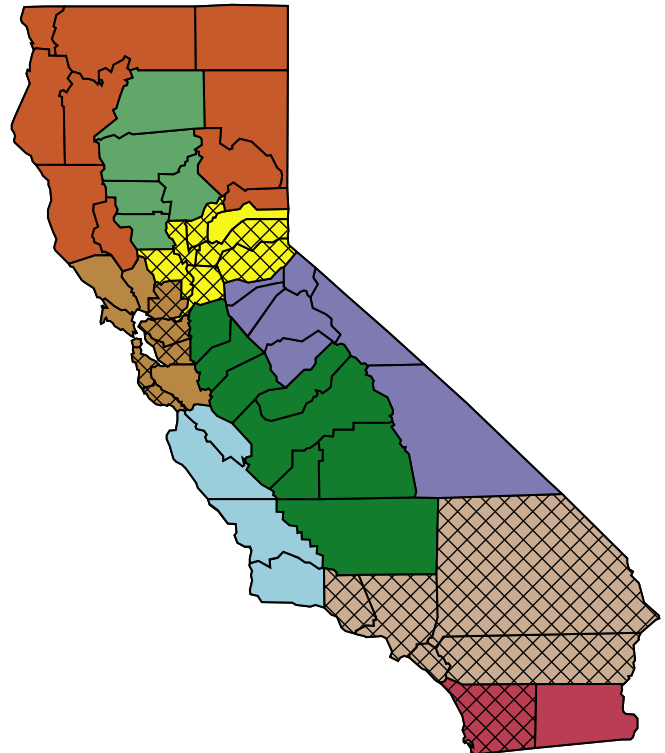
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	SOUTHERN BORDER
	SOUTHERN CALIFORNIA



Biotechnology Cluster

- Ag-related Biotechnology
- Biomedical/medical
- Health Care Technology
- Life Sciences
- Pharmaceuticals

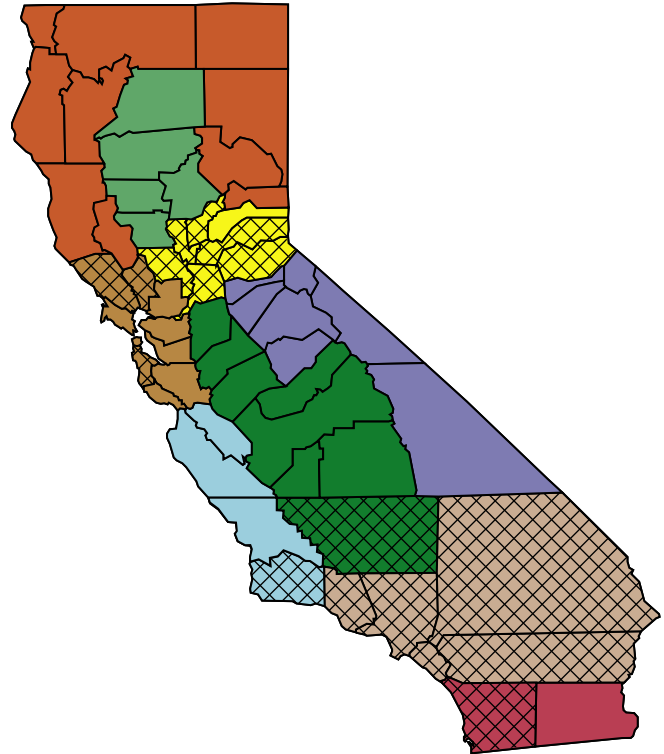


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REGIONAL INDUSTRY CLUSTER STUDIES

Computers/Electronics/ High Technology Cluster

- Computers & Peripheral Equip.
- Computer Information Systems
- Consumer electronics
- Electronic components
- Optical Instruments
- Photonics (scanning devices)
- Measuring & control
Instruments/Devices
- Transportation technologies

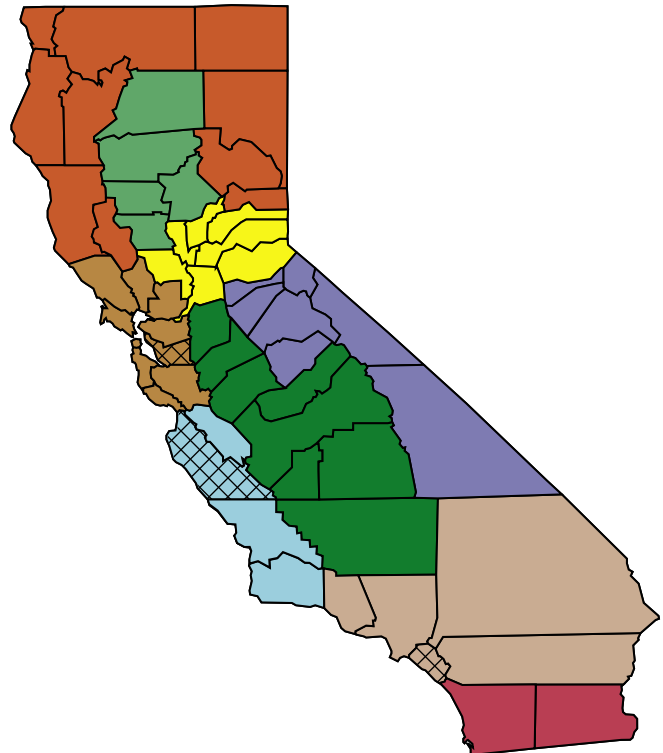


Regions Legend

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	SAN JOAQUIN VALLEY
	SOUTHERN BORDER
	SOUTHERN CALIFORNIA
	BAY AREA

Education/Research & Development Cluster

- Education
- Marine Research
- Research & Development
- Testing Labs












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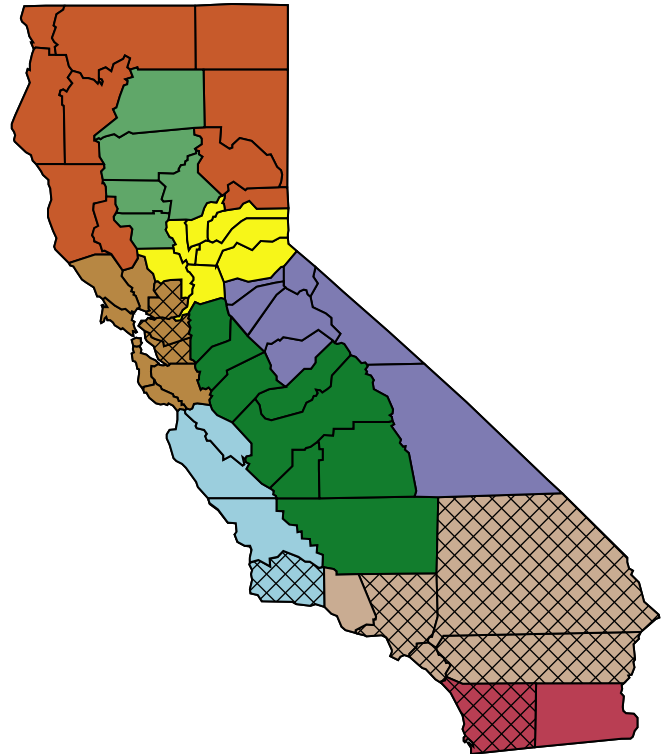
REGIONAL INDUSTRY CLUSTER STUDIES

Entertainment/ Multimedia Cluster

- Motion Pictures: Pre/Post Production Services & Production
- Multimedia Production
- Music Production Services

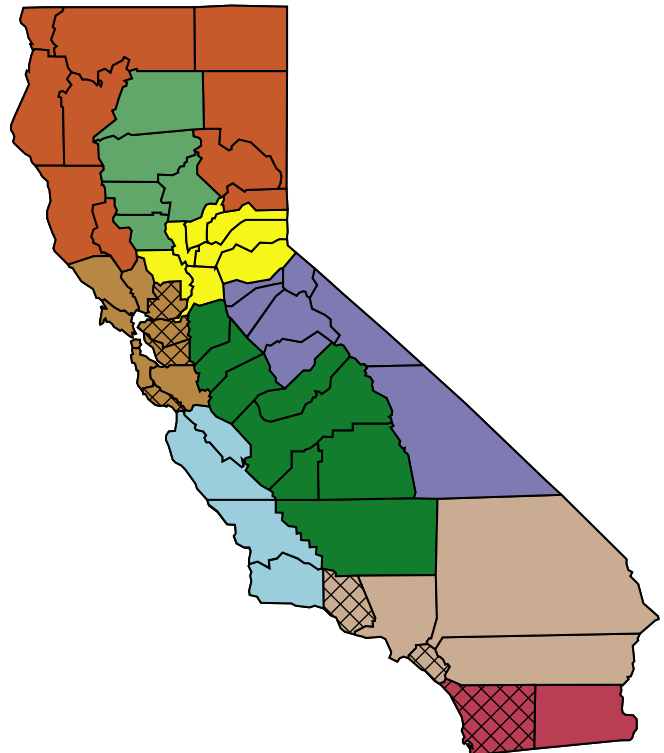
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Environmental Technology/ Services Cluster

- Ecological Recycling
- Environmental Services
- Environmental Technology












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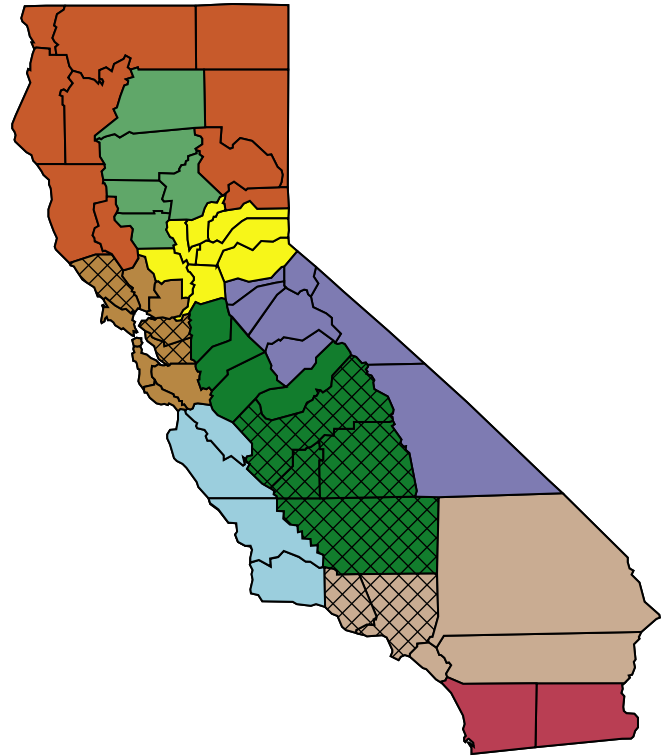
REGIONAL INDUSTRY CLUSTER STUDIES

Finance/Insurance/ Real Estate/Services Cluster

- Business Services
- Real Estate Development Services
- Professional Services
- Retirement

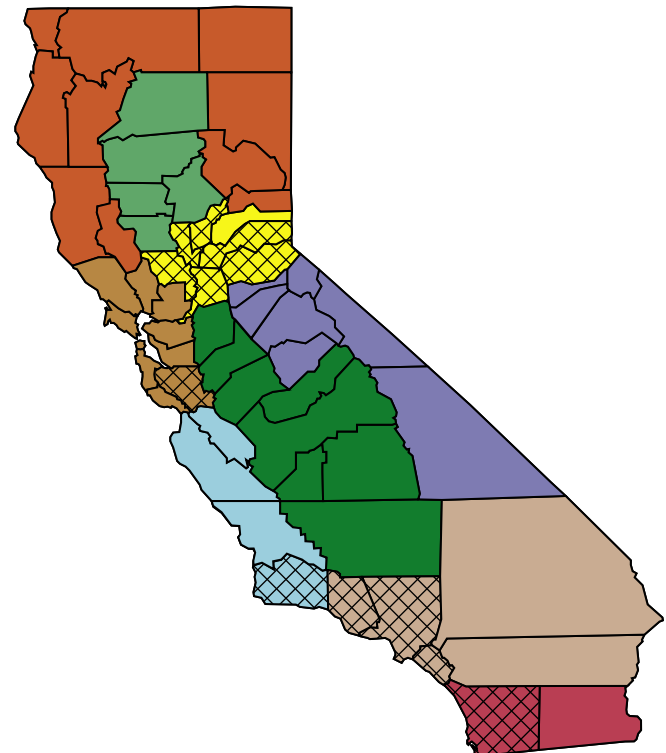
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	SOUTHERN CALIFORNIA



Health-Related Cluster

- Health Care Services
- Health Care Technology
- Medical Devices
- Medical Services

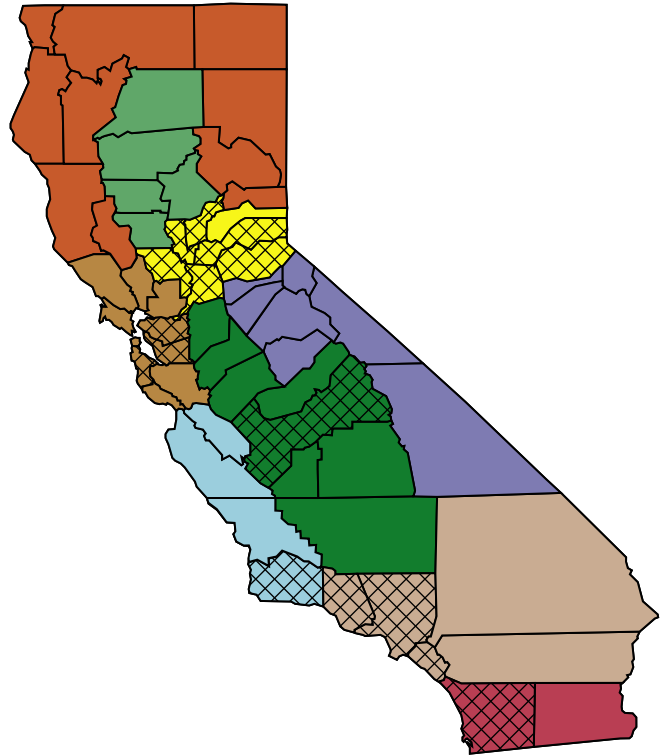


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REGIONAL INDUSTRY CLUSTER STUDIES

Information/Telecommunications Services Cluster

- Back Office Operations
- Communications Equipment Mfg.
- Data procesing
- Information Services
- Internet Services
- Satellite-based communications
- Telecommunications (general)

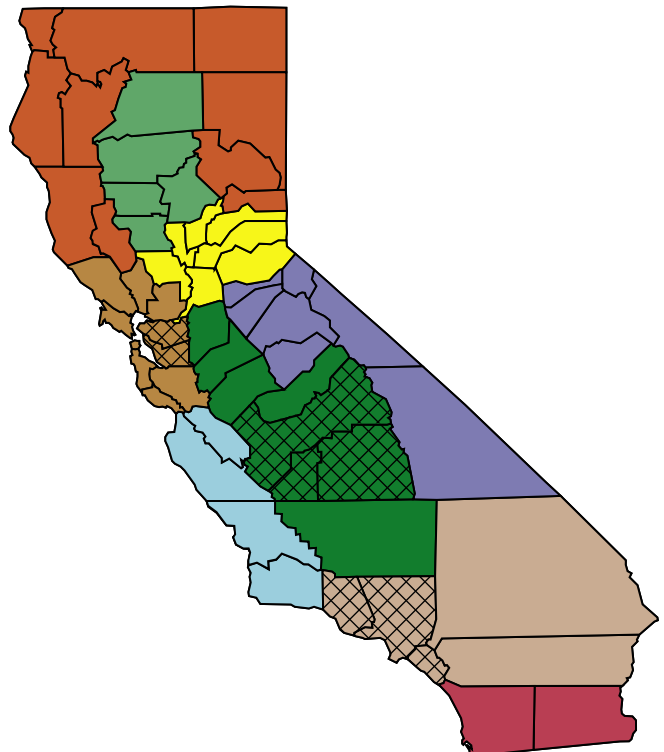


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	SOUTHERN CALIFORNIA

Materials/Metals Cluster

- Advanced Materials
- Light Metals/Metals
- Metal Machining












1996-1999

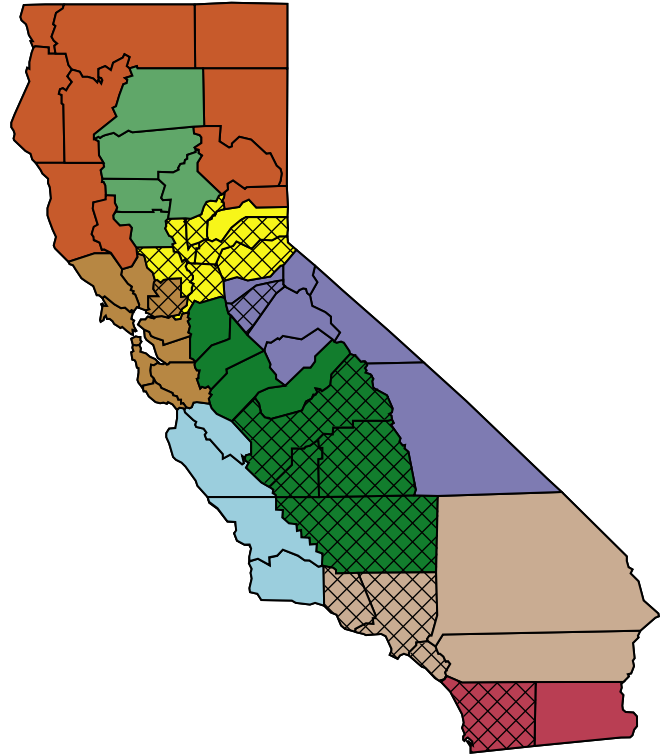
REGIONAL INDUSTRY CLUSTER STUDIES

Other Manufacturing Cluster

- Building Materials
- Chemicals
- Industrial Machinery
- Manufacturing Services
- Paper Products
- Printing & Publishing
- Recreational Goods
- Rubber & Plastics
- Toys

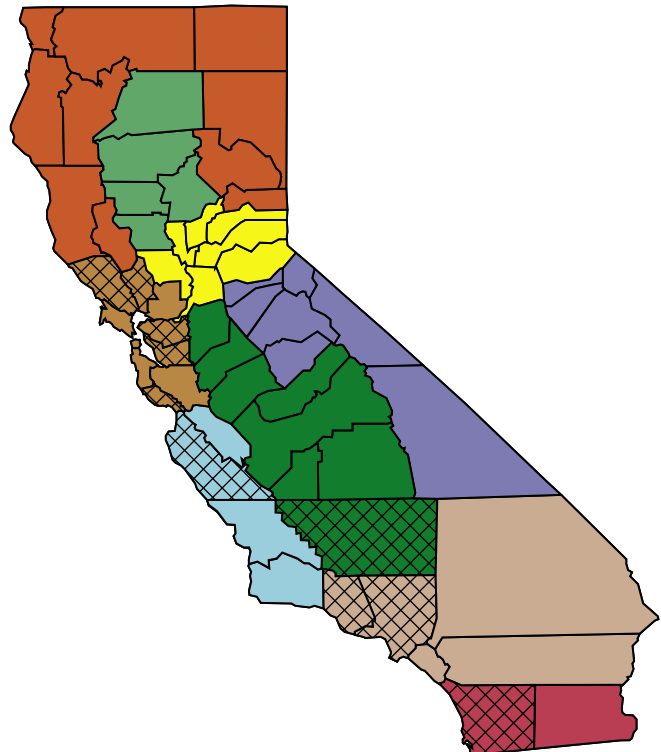
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	SOUTHERN CALIFORNIA



Tourism/Hospitality/ Recreation Cluster

- Eco-tourism/
Ag Farm Home Stays
- Hospitality
- Recreation
- Tourism (general)
- Film related
- Wine/Viticulture

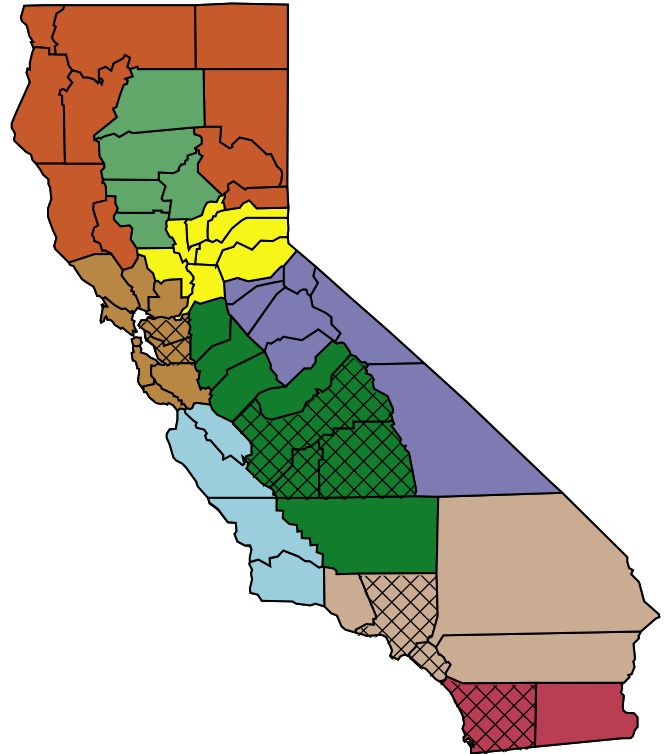


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REGIONAL INDUSTRY CLUSTER STUDIES

Transportation Cluster

- Advanced Automotive Transportation Systems
- Transportation Infrastructure (Alameda Corridor, East Bay Transportation Hub)
- Warehousing & Distribution

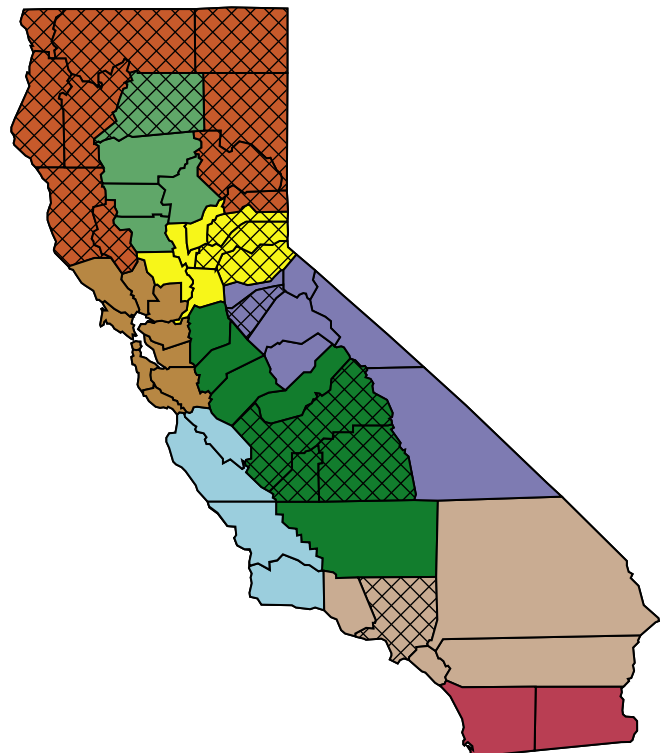


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Wood-Related Cluster

- Furniture/Fixture Products
- Other Value-added Wood Products
- Wood Utilization (eg., biomass)



how the economy is changing, and the limitations of existing data classifications. These cluster groupings will also evolve to reflect the dynamics of the changing global economy and the adoption of technology and innovation throughout the industries.

Not surprisingly, Table 7 illustrates a strong level of industry cluster economic analysis in the Bay Area and Southern California, reflecting the earlier adoption of this methodology due to responses to the decline in the aerospace/defense industry (the San Diego region was also active). However, since that time, the Central Coast, Greater Sacramento Region, and San Joaquin Valley have become strongly oriented to the cluster approach. The other regions are more rural and have less critical mass for most clusters at this time. These rural regions have identified many specific industry targets for business expansion and attraction, and as indicated previously, want to be linked to the urban clusters.

Also not surprisingly, technology-related clusters are a high priority for several regions. These clusters include air and space, biotechnology, computers/electronics/high tech, entertainment and multimedia, environmental technology and services, health/biomedical activities, information and communications services and technology, and components of transportation (i.e., smart vehicles and alternative fuels). (The Central Sierra is listed as having some technology-based cluster activity which is occurring in Nevada and Placer counties, officially part of the Greater Sacramento Region, but, also part of the Central Sierra.) The air and space industry cluster includes traditional government - related defense contracting, the emerging commercial sector, and related supplier firms.

One reason for the strong interest in these technology-related clusters is a desire to develop job growth in industries that can provide “livable wages” and career opportunities for a region’s workforce. This also illustrates how economic goals are being broadened to encompass quality of life and equity issues.

It should be noted that although respondents listed areas such as “biotech” as specific clusters, the application of biotechnology is embedded in many different types of

industries. The same is true of “high tech.” These applications blur the lines between traditional industry sectors. However, these listings are used for this inventory because that is how the regional professionals and consultants perceive the focus and interrelations of the firms they are working to retain, expand, recruit and nurture as start-ups.

Perhaps less obvious is how many regions -- 7 of the 9 -- are pursuing some form of agriculture-related cluster-based development. There is a strong technology component here, especially with ag-related biotechnology. There are many subgroups of more traditional agricultural activity such as production of fruits, nuts, cotton, vegetables, and other commodities, and value-added food and beverage processing. However, there is also a strong connection to high-valued added **specialty products** and viticulture linked to tourism, organic farming, agricultural home-stays, the film industry and so forth.

Two sub-regions, the East Bay and the Alameda Corridor in Los Angeles, are included in the transportation cluster but their focus is not a specific product or service per se. Rather, the focus of the analysis was on the infrastructure and support required to build the capacity of ports, rail, airports and/or highways to become regional transportation and distribution hubs. Ultimately, much of this capacity relates to the region’s ability to engage in trade-related activities, especially international trade.

Not all of the clusters identified by the practitioners and consultants have been selected for implementation of initiatives. In some cases, such as the regional studies done in Fresno, Kings, Tulare, and Kern counties, several clusters were studied but only one – the agriculture mega-cluster – was recommended for targeting. It can be assumed that clusters actually targeted for initiatives generate increased levels of information about the cluster because the process of engaging business leaders in identifying needs and shaping and implementing action plans yields increased knowledge. Also, other cluster studies are in the planning stages; a few may have been missed in this survey since not all sub-regions of the state were canvassed.

In summary, this review points out the need for additional work to help clarify components of clusters, methodologies for conducting analyses, and for additional cluster studies themselves. This inventory can be used to build toward a statewide understanding of industry clusters, to fill in gaps, and to add additional or updated cluster analyses. Not only is this information important for developing appropriate State-level policy initiatives and delivery of services, but it will help us understand the different needs of the regional economies and provide better information for regional economic development strategy implementation. It will also help us understand how regional economies are changing and contribute to the development of a more standardized methodology and better base economic data.

Target Industries

As mentioned above, several of the regions have organized business development activity around specific industry targets rather than or in addition to clusters, for a variety of reasons. This list of targets is very long and diverse. (See Table 8 for a listing of target industries by region.) It is anticipated that as funding and technical support become increasingly available, especially through the work of the Panel, the targets will evolve into more cluster-based approaches.

Additional Findings

This section summarizes the highlights of the remainder of the survey.

- **Familiarity with Economic Strategy Panel** - Two thirds of those surveyed were at least somewhat familiar with the work of the Economic Strategy Panel. Of the one third who stated they were not familiar with the ESP, most knew about the industry cluster, regional approach and collaboration concepts promoted by the Panel, and/or knew State-level staff affiliated with the Panel.

TABLE 8
TARGET INDUSTRIES REPORTED BY REGION

TARGET INDUSTRIES	BAY AREA	CENTRAL COAST	CENTRAL SIERRA	GREATER SACTO	NO. CALIF.	NO. SAC. VALLEY	SAN JOAQUIN	SO. BORDER	SO. CALIF
Agriculture Related		X		X	X	X	X		
Air and Space									X
Apparel/Fashion						X			
Arts & Crafts					X				
Biotechnology				X					X
Computers/Electronics/ High Technology		X	X	X		X	X		X
Education/Research & Development									
Entertainment/ Multimedia		X		X	X	X			X
Environmental Technology/Services		X							X
Finance/Insurance/Real Estate		X	X			X			
Health Related				X		X			X
Hospitality/Recreation Tourism		X	X	X	X	X			
Info/Communications Services/Technology	X	X		X	X	X	X		X
Manufacturing/Other	X	X	X		X	X	X		X
Metals/Materials	X		X		X	X	X		
Resource Based			X		X		X		
Transportation	X				X	X	X		
Wood Related		X	X		X	X			

- **Geographic Focus** – Organizations, even those defined as regional collaboratives, are still working largely at the county level. Half of the organizations surveyed are still working on a county basis, though many acknowledged the importance of and their awareness of the broader region. Only eight organizations work solely on a regional basis. Five work on a subregional basis, and are located within larger metropolitan areas (Bay Area, Southern California, and the Greater Sacramento Valley). The remaining eight work at multiple geographic levels. This is an interesting point given that 23 of these organizations describe themselves as regional collaboratives. (See Table 9).

TABLE 9 ORGANIZATIONAL GEOGRAPHIC FOCUS		
Region	#	(%)
County	21	(50)
Regional	8	(19)
Sub-Regional	5	(12)
County & Regional	2	(5)
Regional & Sub-Regional	3	(7)
County Regional & Sub-Regional	3	(7)
TOTAL	42	(100)

This raises the question of how does one describe the “region?” Some organizations working with other cities and entities within a county are considered regional collaboratives. Others working within a sub-region of one or two counties are considered a regional collaborative. This difference in focus as well as difference in strategies reveals the different geographic forms that regional collaboration can take.

- **Preparation of Economic Strategy** – Thirty-eight of those surveyed prepared an economic strategy in some form. Of the thirty-eight, 27 were prepared in-house, with 14 using consultant assistance. The “use of consultants” response cannot be

considered definitive because interpretation of the question may have varied. For example, some considered use of industry cluster analysis prepared prior to preparation of the strategy to be consultant assistance. Others considered consultant assistance to be assistance in the strategy development process itself.

- **Focus of Economic Strategy** – This question was only directly asked in slightly over half of the surveys. Though from a more limited response (26), the results of this question document a shift away from an emphasis on business/industry attraction. Instead, as reflected in Table 10 below, a greater emphasis and focus is being placed on helping businesses to grow. Most organizations did have more than one key focus.

Table 10 KEY FOCUS OF ECONOMIC STRATEGY			
Strategy Focus	(N = 26)	#	(%)
Business Attraction		19	(73)
Business Retention		15	(57)
Business Expansion		19	(73)
Business/Incubator Support		10	(38)
Small Business Development		13	(50)
Export Industries		12	(46)
Infrastructure Development		12	(46)

These results show that greater attention is being placed on helping existing businesses to expand and new small businesses to be created. It is also of interest that almost half of the economic organizations responding to this question are involved in infrastructure development and export assistance.

Respondents were also asked to identify any “other” key focus of the strategies. Responses in this “other” category fell into similar topic ranges as the regional collaborative initiatives, as shown in Table 11.

TABLE 11 KEY FOCUS ECONOMIC STRATEGY “OTHER” CATEGORY		
Topic/Theme (N = 26)	#	(%)
Workforce/Education/Training	13	(50)
Business Support	15	(58)
Community Building/Revitalization	11	(42)
Governmental/Regulatory Related	3	(12)

To compete with other areas, regions are working to enhance their “quality of life” by addressing jobs/housing imbalances, transportation issues, education and other collaborative efforts to improve their communities in an overall sense. Again, what this information shows is that activities considered key to economic development organizations have expanded beyond direct business-related activities and now encompass issues related to the broader context and the foundations that form a region’s economy. To retain and grow existing businesses and attract new growth industries, regions must provide a supply of skilled workers and intellectual capital. The business community is becoming increasingly involved in workforce education and training. As recognized by survey participants, workers with the highest technical skills/education are in the most demand and are choosing to live in areas with a high quality of life.

The fact that these topics fall into the “key” strategy focus categories documents how the paradigm of what economic development consists of is changing. It also reflects the value of the business perspective and partnership in solving problems of mutual concern. As described by one respondent, “How to get businesses engaged? Put them in charge!”

The goal of this business organization was to build a “civic infrastructure by pulling together civic entrepreneurs in order to build regional collaboration.”

- **Organizational and Operational Change** – One important question in the survey was to find out how using industry cluster methodology, thinking regionally and working collaboratively, changed what organizations were focused on and how they went about achieving it. All organizations were asked an open-ended question to this effect. Twenty-two organizations were questioned as to the occurrence of specific changes resulting from their economic strategy. Of these, over 60 percent (16) reported that new organizations were created. Over 80 percent (18) reported acquiring new partners. Eighty-six percent (19) shifted their policies, and 95 percent (21) developed new action plans.

Responses to the open-ended question about organizational change resulting from the economic strategy showed that those already operating on a regional collaborative basis reported the least amount of change. One organization reported that organizational changes “did not come from the Economic Strategy Panel process or new methodology but from our own collaborative work over a twenty-year period.” Another organization reported that cluster analysis didn’t change what they were doing but “validated what we already knew to be true.” Another organization that was already working collaboratively indicated that the cluster approach, regional focus, and collaborative process “gave what we were already doing greater credibility.”

Those organizations which had not been working collaboratively reported the greatest amount of change. What has changed for most organizations is their strategies, and implementation of those strategies. A better understanding of their economy has created this shift. Many of the organizations surveyed were created as the outcome of an industry cluster process. Other examples of change include: creation of industry specific forums to assist information sharing and networking among industry

participants; industry specific education and training programs; and, specifically targeted business development (including incubators) and entrepreneurial support for industry supplier and service businesses, and related niche industries.

In summary, the majority of survey respondents indicated that a shift in strategy and action plans resulted from their increased understanding of their economies. Many of those that were already collaboratives did not change the way they operated, but changed priorities or focus as a result of industry cluster studies. Those which were not previously working on a collaborative basis and had target industry studies rather than industry cluster studies changed the way they did business as a result of new modes of collaboration.

Information gained from the collaboration process also has been instrumental in shifting focus and strategies. One organization previously looked mainly at regional transportation, housing and air quality issues. This organization shifted activities and began to focus on broader economic issues. As noted in the section on regional initiatives, other organizations started with a focus on economics and broadened it to include transportation and other community issues, showing that regional thinking, industry cluster analysis and collaboration can result in expanded perspectives, and two-way shifts in focus. Following are examples of changes reported in each region via the open-ended question.

Bay Area Region

- “Cluster analysis formalized our organization and created new committees and new initiatives. All of our initiatives are regional.”
- “Our organization is under continual reorganization and innovation. It functions as a driver of ongoing collaboration. It is used as a model and is unique in the State. The organization has kept to core competencies. Other organizations (with special focus areas) have spun-off from this organization.”

Central Coast Region

- “Started to work with other cities and agencies working on economic development.”
- “Our organization was not meant to go on forever; we are trying to create a series of policy changes with a life of their own, e.g., our community indicators project is now a separate non-profit.”

Central Sierra Region

- “Recent emphasis on collaboration confirms how we are doing business, and allows us to work with increased credibility. The importance of regionalism for the economy is also valuable.”

Northern California Region

- A new Live-Work policy was adopted in Eureka in support of the arts industry.
- Builders understanding the needs of new start-up companies are building new flexible building forms that accommodate growth of start-up companies and support industry incubators (Humboldt County area).

Northern Sacramento Valley Region

- “As a result of a target industry analysis we prepared an Agricultural Business Plan, a marketing and image plan and county logo. We are also pursuing a county asset mapping process.”

San Joaquin Region

- New focus and strategies to support emerging plastics industry.
- Business organization involved in building civic entrepreneurship and civic leadership to support regional collaboration and regional thinking.

Southern Border Region

- “Use of a cluster approach and regional collaboration within a region has assisted us in gathering information in a useful manner. We have coherent information for the first time.”
- “Focus on clusters has been very helpful in forging industry collaboratives to better understand business needs.”
- “Cluster industries have priority focus. They are growing faster and paying better. The cluster study led to a new collaborative.”

Southern California Region

- “The organization was created as an outcome of a 1995 Economic Strategy Panel cluster analysis and was formed specifically to work on the needs of industry clusters.”
- “Our industry cluster process is complete, our economic strategy process is underway. We expect many changes in both our focus and strategies.”
- “We are carving out a niche to provide an in-depth look at industries working with an Industry Round Table.
- “Our organization was spawned as part of an industry cluster analysis process. The organization is two years old and is to provide implementation and leadership for economic development.”

Lead Collaborative Partners

Numerous different forms of collaboration are occurring in all parts to the State. Collaboration varies according to issues being addressed and industry cluster needs. Some organizations are regional collaboratives themselves, either as an organizational partnership or in “virtual” organization relationships. Others work regularly with different partners in their regions.

Survey respondents were asked to identify their lead collaborative partners. The most frequently cited collaborative partners were business associations (71%), followed by city economic development organizations (60%), other regional collaboratives (57%), and county economic development organizations, workforce related and education and research organizations (each at 55%). The lowest response was for labor organizations (24%). (See Table 12).

TABLE 12 LEAD COLLABORATIVE PARTNERS			
Type of Partner	(N=42)	(#)	(%)
Business Association		30	(71)
City Economic Development		25	(60)
Regional Collaboratives		24	(57)
County Economic Development		23	(55)
Workforce Prep/One-Stop		23	(55)
Education/Research		23	(55)
Regional Workforce Preparation/Econ. Dev. Corp.		22	(52)
Community Based Organizations		20	(48)
School-to-Career		19	(45)
Trade Organizations		16	(38)
Labor		10	(24)

Organizations surveyed identified 20 additional categories of “other” collaborative partners. Of these the largest response was for local/state/federal governmental agencies (20). When combined with the other government-related categories (elected officials (6), cities/counties (2) and environmental districts (1) this total reaches 30 (71%), documenting the growing public/private partnership bond and wide range of partnership models. Other associations with human service providers and job training, programs, (i.e., JCIF and PIC’s) further illustrate this collaboration.

ADDENDUM

<u>Attachment</u>	<u>Title</u>
A.	List of Survey Respondents
B.	Detailed Description of Collaborative Initiatives by Region

ATTACHMENT A
LIST OF SURVEY RESPONDENTS

NAME	TITLE	ORGANIZATION
Bruce Ackerman	President & CEO	San Gabriel Valley Economic Partnership
Joe Aro	Executive Director	South Bay Econ. Dev. Partnership
Linda Best	Executive Director	Contra Costa Economic Partnership
Lucy Blake	President	Sierra Business Council
Larry Burkhardt	President & CEO	Nevada County Economic Resource Council
John Buselle	Senior Planner	San Luis Obispo, Dept. of Planning and Bldg.
Bill Carney	Vice President, Econ. Dev.	Orange County Business Council
Lora Ceccon	Community Coordinator	Glenn Co. Resource, Planning and Dev. Dept.
Bob Christofferson	President	Fresno EDC
Mary Claypool	Principal Admin. Analyst	Monterey Co., Div. Intergovernmental Affairs
Kimberly Collins	Associate Director	San Diego Regional Technology Alliance
Bob Cooper	Past Executive Director	Econ. Dev. Collaborative, Ventura
Fred Cox	Coordinator of Admin.	Kern County Resource Management Agency
Bruce Devine	Chief Economist	So. California Association of Governments
Rod Dole	Auditor/Controller	County of Sonoma, Econ. Vitality Partnership
Celine Haugen	Director	Napa Valley EDC
Barbara Hayes	Deputy Director	Sacto. Area Trade & Commerce Assoc.
Richard Hollingsworth	President & CEO	Gateway Cities Partnership
Cassandra Jennings	Deputy Executive Director	Sac. Housing and Redevelopment Agency
Bruce Kern	Executive Director	East Bay Econ. Dev. Alliance for Business
Mike Locke	CEO & President	San Joaquin Partnership
Gonzalo Lopez	Manager, City of San Diego	Office of International Trade and Technology
Al Martinez	Executive Director	San Benito EDC
Mary McCarthy	President	Solono EDC
Joe McClure	Executive Director	Econ. Dev. Collaborative, Ventura
Kathy Moxon	Director	Institute of the North Coast
Bill Mueller	Vice Pres. of Gov. Relations	Sacramento Metro Chamber of Commerce
Deborah Nankivell	Executive Director	Fresno Business Council
Bob Nash	Director	Superior Economic Development District
Jim Neuman	Executive Director	Santa Barbara Region Econ. Comm. Project
Tom O'Malley	President	Tri-Valley Business Council
Tom Ooms	President & CEO	Inland Empire Economic Partnership
Susan Pearlman	Econ. Dev. Coordinator	Santa Cruz County
Cari Porter-Hansen	Dir. of Research and Analysis	San Mateo County Econ. Dev. Association
Betty Riley	Executive Director	Sierra Economic Development District
Tom Sheffer	Vice President	San Diego EDC
Rohit Shukla	President & CEO	Los Angeles Regional Technology Alliance

ATTACHMENT A
LIST OF SURVEY RESPONDENTS

David Spaur	President & CEO	Econ. Vitality Corp. San Luis Obispo
Charlene Speck	President	Stanislaus County EDC
Chris Stewart (1)	President	Kern County EDC
Ben Stone	Director	Sonoma Economic Development Board
Audrey Taylor	President	Chabin Concepts, Inc.
Jim Zauher	President	Econ. Dev. Corp. of Shasta County

- (1) Footnote: former Director of Merced EDC, due to recent change, responses included in general but not in specific regional responses.

ATTACHMENT B

COLLABORATIVE INITIATIVES BY REGION

REGION	BUSINESS/INDUSTRY DEVELOPMENT		WORKFORCE TRAINING/ EDUCATION	MARKETING	COMMUNITY ENHANCEMENT/ REVITALIZATION/ QUALITY OF LIFE	INSTITUTIONAL/ GOVERNMENT RELATED
	EXISTING	NEW				
BAY AREA	<p>Business Assistance Center</p> <p>Coordination of ag/food/wine production and marketing</p> <p>Business Retention, promotion and financing</p>	<p>Job Creation Investment Fund - job creation plan</p> <p>Technology Bridge - public/private Scientists</p> <p>International Trade</p> <p>Business Attraction and Financing</p>	<p>Collaborative engineering training programs-private University/Jr. College partnership</p> <p>One Stop Employment Centers</p> <p>Public/private educational action team/School to Career partnership</p> <p>Career Fairs</p> <p>RWEPEDA Grant</p> <p>Work Keys Assessment System pilot program (Tri-Valley focus on skills needed for knowledge economy, developing new curriculum and test for communication skills)</p>	<p>Collaborative Regional Marketing focused on Industry Clusters (tourism, food, ag, wine production)</p>	<p>Developing Community Progress Indicators</p> <p>Housing Action Team - public education/support of need for higher density housing</p> <p>Regional Visioning</p> <p>Regional Mobility Initiative</p> <p>Smart Growth/Sustainability</p> <p>Green Business Approaches</p>	<p>Sunol Grade Project</p>

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COLLABORATIVE INITIATIVES BY REGION

REGION	BUSINESS/INDUSTRY DEVELOPMENT		WORKFORCE TRAINING/ EDUCATION	MARKETING	COMMUNITY ENHANCEMENT/ REVITALIZATION/ QUALITY OF LIFE	INSTITUTIONAL/ GOVERNMENT RELATED
	EXISTING	NEW				
CENTRAL COAST	Small Business Assistance	Capital Generation/ facilitate access to capital Entrepreneurial Support, mentors, business plans Business to Business network, email and database	Public/Private Education Initiatives matching job training to Industry needs K-12 access to new technology infrastructure	Marketing Plan/Campaigns, Trade Shows, 800#	Community Indicators re: Quality of Life Benchmarks Community Forums - for land use goals (Ahwahnee Principles) Community Design Initiatives - using land use simulation model (Santa Barbara)	Permit Streamlining Transportation Studies Infrastructure improvements
CENTRAL SIERRA		Hardwood Utilization Initiative for small business development Micro Enterprise Small Business Development (collaborative mentoring program, workforce training for in home child-care business/self employment)	Most rural areas are in JTPA consortia - How they link to workforce training - varies by county		Community indicators re: Quality of Life Benchmarks (Sierra Nevada Wealth Index) Community Forums/Visioning process. Development and presentation of new integrated development models "Planning for Prosperity", "Investing for Prosperity" - principles, methods and access to resources/education workshops/online directory of planning consultants Implementation of Open Space and Conservation Program Public Education and Leadership Development	

ATTACHMENT B

COLLABORATIVE INITIATIVES BY REGION

REGION	BUSINESS/INDUSTRY DEVELOPMENT		WORKFORCE TRAINING/ EDUCATION	MARKETING	COMMUNITY ENHANCEMENT/ REVITALIZATION/ QUALITY OF LIFE	INSTITUTIONAL/ GOVERNMENT RELATED
	EXISTING	NEW				
GREATER SACRAMENTO VALLEY	Small Business Development/Assistance, with Chamber	Major Entrepreneur Workshop Agri-Tech Connect to connect ag firms/resources in emerging economy Recruitment of Key Employees Education on Regional Economic Development issues via facilitated networking, workshops and conferences One Stop Employment Centers School to Career/Higher Education Partnerships	Business/Education Partnership - systems change in education to realign education to provide necessary work skills New curriculum for management of telecommuting employees Metro Works - job development, employment outreach program Assist in local government Workfare Program targeting businesses with better job opportunities for transition workers	Attend Strategic Conferences to market region (Corporate Real Estate Executives) Developing Marketing/Image Plan for Region Joint effort for new Regional Convention Center	Green Valley - agricultural, open space conservation Quality of Life Index - recognize region and need for collaboration Mobility - Access to Work Initiatives, including telecommuting and shared work centers Community Indicators	

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COLLABORATIVE INITIATIVES BY REGION

REGION	BUSINESS/INDUSTRY DEVELOPMENT		WORKFORCE TRAINING/ EDUCATION	MARKETING	COMMUNITY ENHANCEMENT/ REVITALIZATION/ QUALITY OF LIFE	INSTITUTIONAL/ GOVERNMENT RELATED
	EXISTING	NEW				
NORTHERN CALIFORNIA	Technical Assistance for Small Businesses (SB Development Center) Business climate/Collaborative development	Business gap financing	Workforce development/ Regional One-Stops School to Career RWPEDA Grant		Leadership development	Workforce/Education/ Economic Development/ Systems integration at Government level
NORTHERN SACRAMENTO VALLEY	Small Business Training Workshops	Small Business Loans including Rural Venture Capital network Small entrepreneurs revolving loan fund	Micro-Enterprise training for self employment		Community Action Plans (e.g., \$1.5 million for new water system) Community Asset Mapping	
SAN JOAQUIN	Rapid Response Business Development Job Creation	Creation of Rural Community Economic Forum	Regional education and training match to workforce needs RWPEDA Grant Regional Workforce One-Stops Labor Market Studies	Regional Image Enhancement Campaign External Marketing Focus CCVEDDC (eight county marketing consortium)	Leadership development Regional Collaboration/land use (Landscape of choice) Improve prosperity - Raise standard of living Collaborative organization process/Industry Forums Visioning Project	

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COLLABORATIVE INITIATIVES BY REGION

REGION	BUSINESS/INDUSTRY DEVELOPMENT		WORKFORCE TRAINING/ EDUCATION	MARKETING	COMMUNITY ENHANCEMENT/ REVITALIZATION/ QUALITY OF LIFE	INSTITUTIONAL/ GOVERNMENT RELATED
	EXISTING	NEW				
SOUTHERN BORDER	<p>New Collaborative - Partnership for New Century - Industry Forums</p> <p>Small business assistance program</p>	<p>Facilitate capital access</p> <p>Economic Data/Information Management</p>	<p>Matching job training to industry needs</p>		<p>Improve prosperity - Raise standard of living</p>	
SOUTHERN CALIFORNIA	<p>Business Enhancement Initiative (Business Assistance Program) - international trade and foreign trade zone</p> <p>Business Assistance Program (strategic outreach program, 10K businesses targeted/monthly workshop</p> <p>Information Databases; Annual Economic Forecast Conference with University</p>	<p>Capital development and financing/ Venture Capital Investor Equity Program to develop funding support</p> <p>New Entrepreneur Workshop</p> <p>Global Technology</p> <p>Program/partner matches</p> <p>Create new Regional Technology Alliance/High tech development support/strategy</p> <p>Knowledge Management-sharing expertise and knowledge</p> <p>Industry Research/Data Development</p> <p>Southwest Compact - interregional economic collaboration with southwest U.S. and Mexico</p>	<p>Machinists Training Initiative - public/private with Jr. Colleges</p> <p>JCIF</p> <p>Workforce/Community Development - job creation with strategic allies</p> <p>Workforce readiness</p>	<p>Regional Marketing Strategy/Program (regional video - gateway)</p> <p>Subregional Strategic Marketing/Image Development Campaign</p> <p>Marketing Regional Assets/provide support services</p>	<p>Information Index/Annual Survey (Valley Almanac 2000 - San Gabriel Valley)</p> <p>Reuse of Industrial Real Estate supporting sustainable in-fill development</p> <p>Overall focus on sustainable development</p>	<p>Transportation-achieve viable transportation network capacity necessary to support expansion</p> <p>Regional Transportation Plan</p> <p>Reform of State and Local Government Finance</p>